

# Annual Financial Statements

for

## ***Namakwa District Municipality***

for the year ended 30 June: **2012**

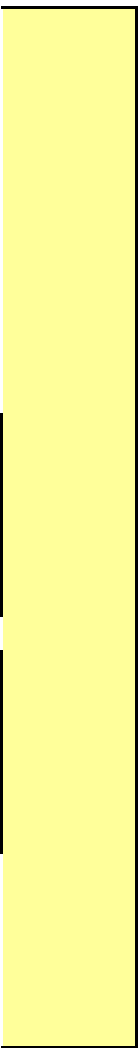
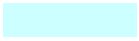
Province:

Northern Cape

AFS rounding:

***R (i.e. only cents)***

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Name of Chief Financial Officer:	Fredrick Johannes Rootman
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**Namakwa Distr**  
**ANNUAL FINANCIAL STATEMENT**  
for the year ended 31 March 2017

**General information**

**Members of the Council**

F Van Den Heever  
BG Vass  
MS Cardinal  
SD Hoskin  
FX Cupido  
EC Drage-Maritz  
SF Nieuwoudt  
CR Warne  
J Swarts  
P van Heerden  
KR Groenewald  
S van Wyk  
J van der Colff  
WJ Links  
SJ Engelbrecht

**Municipal Manager**

Madeleinne Lesley Brandt

**Chief Financial Officer**

Fredrick Johannes Rootman

**Grading of Local Authority**

The Namakwa District Municipality includes the municipal areas of Khai-Ma Municipality, Nama Khoi Municipality, Richtersveld Municipality, Kamiesberg Municipality, Hantam Municipality and Karoo Hoogland Municipality.

**Auditors**

Auditor-General

**Bankers**

Absa Bank

**ict Municipality**  
**IAL STATEMENTS**  
ed 30 June 2012

**Mayor**

**Speaker**

Member of the Executive Committee

Member of the Executive Committee

Member of the Executive Committee

Member

Member

Member

Member

Member

Member

Member

Member

Member

Member

**Namakwa Distr**  
**ANNUAL FINANCIAL STATEMENT**  
for the year ended 31 December 2014

**General information (continued)**

**Registered Office:**

**Physical address:**

**Postal address:**

**Telephone number:**

**Fax number:**

**E-mail address:**

**Relevant Legislation:**

Municipal Finance Management Act (Act no 56 of 2003)  
Division of Revenue Act  
The Income Tax Act  
Value Added Tax Act  
Municipal Structures Act (Act no 117 of 1998)  
Municipal Systems Act (Act no 32 of 2000)  
Municipal Planning and Performance Management Regulations  
Water Services Act (Act no 108 of 1997)  
Housing Act (Act no 107 of 1997)  
Municipal Property Rates Act (Act no 6 of 2004)  
Electricity Act (Act no 41 of 1987)  
Skills Development Levies Act (Act no 9 of 1999)  
Employment Equity Act (Act no 55 of 1998)  
Unemployment Insurance Act (Act no 30 of 1966)  
Basic Conditions of Employment Act (Act no 75 of 1997)  
Supply Chain Management Regulations, 2005  
Collective Agreements  
Infrastructure Grants  
SALBC Leave Regulations  
Municipal Budget and Reporting Regulations

Namakwa District Municipality Building

Van Riebeeck Street  
Springbok  
8240

Private Bag X20  
SPRINGBOK  
8240

(027) 712 8000

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**Namakwa District Municipality**  
**ANNUAL FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

**Approval of annual financial statements**

I am responsible for the preparation of these annual financial statements, which are set out on pages 5 to 86, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in note 28 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

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Municipal Manager:

*31-Aug-12*

**Namakwa District Municipality**  
**ANNUAL FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

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<b>Namakwa District Municipality</b> <b>STATEMENT OF FINANCIAL POSITION</b> as at 30 June 2012			
	<b>Note</b>	<b>2012 R</b>	<b>2011 R</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	61 996 376	63 248 782
Other receivables from non-exchange transactions	2	1 868 570	2 073 448
Other current financial assets	3	63 463	50 663
Inventories	4	-	680 932
Unpaid Conditional Government Grants and Receipts	5	-	36 000
VAT receivable	11	303 814	840 946
<b>Non-current assets</b>			
Investments	6	1 146	1 146
Property, plant and equipment	7	8 082 808	9 549 557
Intangible assets	8	1 475 916	1 417 008
Investment property carried at cost	9	365 215	393 309
<b>Total assets</b>		<b>74 157 308</b>	<b>78 291 791</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	10	8 536 785	4 038 814
Current employee benefits	12	2 955 969	2 529 934
Current portion of unspent conditional grants and receipts	13	5 163 460	11 685 054
Current portion of finance lease liability	14	53 007	40 877
<b>Non-current liabilities</b>			
Non-current finance lease liability	14	102 771	137 310
Non-current employee benefits	15	15 768 138	15 292 221
<b>Total liabilities</b>		<b>32 580 129</b>	<b>33 724 209</b>
<b>Net assets</b>		<b>41 577 179</b>	<b>44 567 582</b>
<b>NET ASSETS</b>			
Reserves		959 150	710 770
Accumulated surplus / (deficit)		40 618 029	43 856 811
<b>Total net assets</b>		<b>41 577 179</b>	<b>44 567 581</b>

<b>Namakwa District Municipality</b> <b>STATEMENT OF FINANCIAL PERFORMANCE</b> for the year ending 30 June 2012			
	<b>Note</b>	<b>2012 R</b>	<b>2011 R</b>
<b>Revenue</b>			
<b>Revenue from Non-exchange Transactions</b>		<b>39 773 967</b>	<b>40 032 184</b>
<b>Transfer Revenue</b>			
Government grants and subsidies	19	39 671 308	39 577 642
<b>Other Revenue</b>			
Actuarial Gains	20	102 659	454 542
<b>Revenue from Exchange Transactions</b>		<b>5 947 058</b>	<b>6 498 935</b>
Rental of facilities and equipment	16	898 819	577 317
Interest earned - external investments	17	3 068 673	3 407 420
Interest earned - outstanding receivables	18	247 544	202 005
Other income	20	1 732 023	2 312 194
<b>Total revenue</b>		<b>45 721 025</b>	<b>46 531 120</b>
<b>Expenses</b>			
Employee related costs	21	17 202 697	13 126 013
Remuneration of councillors	22	2 265 384	2 256 871
Debt impairment		2 094 235	181 636
Depreciation and amortisation expense	23	1 809 723	2 013 423
Repairs and maintenance		489 928	136 950
Finance costs	24	1 348 032	1 492 122
Contracted services	25	-	57 357
Grants and subsidies paid	26	2 800 685	5 834 507
General expenses	27	20 413 002	17 109 837
<b>Total expenses</b>		<b>48 423 687</b>	<b>42 208 716</b>
Gain / (loss) on sale of assets	28	(179 197)	(6 525 471)
(Impairment loss) / Reversal of impairment loss	29	(108 544)	(83 125)
Net Surplus/(Deficit) from discontinued operations	30	-	408 954
<b>Surplus / (deficit) for the period</b>		<b>(2 990 403)</b>	<b>(1 877 239)</b>

**Namakwa District Municipality**  
**STATEMENT OF CHANGES IN NET ASSETS**  
as at 30 June 2012

	Capital Replacement Reserve	Total: Reserves	Accumulated Surplus/(Deficit)	Total: Net Assets
Note	R	R	R	R
<b>Balance at 30 June 2010</b>	<b>1 837 177</b>	<b>1 837 177</b>	<b>44 607 643</b>	<b>46 444 820</b>
Changes in accounting policy	35 -	-	-	-
Correction of prior period error	35 -	-	-	-
<b>Restated balance</b>	<b>1 837 177</b>	<b>1 837 177</b>	<b>44 607 643</b>	<b>46 444 820</b>
Surplus / (deficit) on revaluation of property of property, plant and equipment	-	-	-	-
Property, Plant and Equipment purchased	(1 126 407)	<b>(1 126 407)</b>	1 126 407	-
Surplus / (deficit) for the period			(1 877 239)	<b>(1 877 239)</b>
<b>Balance at 30 June 2011</b>	<b>710 770</b>	<b>710 770</b>	<b>43 856 811</b>	<b>44 567 581</b>
Surplus / (deficit) on revaluation of property of property, plant and equipment	-	-	-	-
Property, Plant and Equipment purchased	(523 812)	<b>(523 812)</b>	523 812	-
Transfer to CRR	772 192	<b>772 192</b>	(772 192)	-
Surplus / (deficit) for the period	-	-	(2 990 403)	<b>(2 990 403)</b>
<b>Balance at 30 June 2012</b>	<b>959 150</b>	<b>959 150</b>	<b>40 618 029</b>	<b>41 577 179</b>

<b>Namakwa District Municipality</b> <b>CASH FLOW STATEMENT</b> as at 30 June 2012			
	<b>Note</b>	<b>2012 R</b>	<b>2011 R</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		37 333 274	43 155 161
Taxation		139 136	301 440
Sales of goods and services		-	-
Grants		33 185 714	36 637 876
Interest received		3 316 216	3 609 425
Other receipts		692 208	2 606 420
Payments		37 901 742	51 301 478
Employee costs		19 883 284	17 198 119
Suppliers		17 987 580	33 957 771
Interest paid		30 877	145 588
Other payments			
<b>Net cash flows from operating activities</b>	<b>31</b>	<b>(568 468)</b>	<b>(8 146 317)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(365 061)	(989 417)
Purchase of Intangible Assets		(296 469)	(200 495)
Proceeds from sale of investments		-	-
Purchase of foreign currency securities			-
<b>Net cash flows from investing activities</b>		<b>(661 530)</b>	<b>(1 189 912)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loans raised		12 130	-
Repayment of borrowings		(34 539)	(4 200 291)
Proceeds from finance lease liability			-
Repayment of finance lease liability			-
<b>Net cash flows from financing activities</b>		<b>(22 409)</b>	<b>(4 200 291)</b>
<b>Net increase / (decrease) in net cash and cash equivalents</b>		<b>(1 252 406)</b>	<b>(13 536 520)</b>
<b>Net cash and cash equivalents at beginning of period</b>		<b>63 248 783</b>	<b>76 785 303</b>
<b>Net cash and cash equivalents at end of period</b>	<b>32</b>	<b>61 996 376</b>	<b>63 248 783</b>

## CASHFLOW CALCULATIONS

### Namakwa District Municipality STATEMENT OF FINANCIAL POSITION as at 30 June 2012

	Note	2012 R	2011 R
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	61 996 376	63 248 782
Other receivables from non-exchange transactions	2	1 868 570	2 073 448
Other current financial assets	3	63 463	50 663
Inventories	4	-	680 932
Unpaid Conditional Government Grants and Receipts	5	-	36 000
VAT receivable	11	303 814	840 946
<b>Non-current assets</b>			
Investments	6	1 146	1 146
Property, plant and equipment	7	8 082 808	9 549 557
Intangible assets	8	1 475 916	1 417 008
Investment property carried at cost	9	365 215	393 309
Defined benefit plan asset	52	-	-
<b>Total assets</b>		<b>74 157 308</b>	<b>78 291 791</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	10	8 536 785	4 038 814
Current provisions	12	2 955 969	2 529 934
Current portion of unspent conditional grants and receipts	13	5 163 460	11 685 054
Current portion of finance lease liability	14	53 007	40 877
<b>Non-current liabilities</b>			
Non-current finance lease liability	14	102 771	137 310
Non-current provisions	15	15 768 138	15 292 221
Defined benefit plan obligations	39	-	-
<b>Total liabilities</b>		<b>32 580 129</b>	<b>33 724 209</b>
<b>Net assets</b>		<b>41 577 179</b>	<b>44 567 582</b>
<b>NET ASSETS</b>			
Reserves		959 150	710 770
Accumulated surplus / (deficit)		40 618 029	43 856 811
<b>Total net assets</b>		<b>41 577 179</b>	<b>44 567 581</b>

INFORMATION PURPOSES ONLY - DO NOT PRINT

**Examples of operating activities**

- a) cash receipts from taxes, levies and fines;
- (b) cash receipts from charges for goods and services provided by the entity;
- (c) cash receipts from grants or transfers and other appropriations or other budget authority national government or other entities;
- (d) cash receipts from royalties, fees, commissions and other revenue;
- (e) cash payments to other entities to finance their operations (not including loans);
- (f) cash payments to suppliers for goods and services;
- (g) cash payments to and on behalf of employees;
- (h) cash receipts and cash payments of an insurance entity for premiums and claims, annuities and other policy benefits;
- (i) cash payments of local property taxes or income taxes (where appropriate) in relation to operating activities;
- (j) cash receipts and payments from contracts held for dealing or trading purposes;
- (k) cash receipts or payments from discontinuing operations; and
- (l) cash receipts or payments in relation to litigation settlements.

**Examples of Investing Activities**

- (a) cash payments to acquire property, plant and equipment, intangibles and other long-term assets. These payments include those relating to capitalised development costs and self-constructed property, plant and equipment;
- (b) cash receipts from sales of property, plant and equipment, intangibles and other long-term assets;
- (c) cash payments to acquire equity or debt instruments of other entities and interests in joint ventures (other than payments for those instruments considered to be cash equivalents or those held for dealing or trading purposes);
- (d) cash receipts from sales of equity or debt instruments of other entities and interests in joint ventures (other than receipts for those instruments considered to be cash equivalents and those held for dealing or trading purposes);
- (e) cash advances and loans made to other parties (other than advances and loans made by a public financial institution);
- (f) cash receipts from the repayment of advances and loans made to other parties (other than repayments of advances and loans of a public financial institution);
- (g) cash payments for futures contracts, forward contracts, option contracts and swap contracts except when the contracts are held for dealing or trading purposes, or the payments are classified as financing activities; and
- (h) cash receipts from futures contracts, forward contracts, option contracts and swap contracts.

**Examples of Financing Activities**

- a) cash proceeds from issuing debentures, loans, notes, bonds, mortgages and other short-term borrowings;
- (b) cash repayments of amounts borrowed; and
- (c) cash payments by a lessee for the reduction of the outstanding liability relating to a finance lease.

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**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2012**

Note	2012 R	2011 R
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**1 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following:

Cash on hand	805	755
Cash at bank	4 266 519	145 912
Call deposits	57 729 052	63 102 116
	<b>61 996 376</b>	<b>63 248 782</b>

Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.

Call Investments Deposits to an amount of R 11 608 435 are held to fund the Unspent Conditional Grants (2011: R17 969 766).

The Municipality has the following bank accounts: -

**Current Account (Primary Bank Account)**

ABSA Bank Limited - Account Number 2210000014 (Primary Bank Account):	4 266 519	145 912
Cash book balance at beginning of year	145 912	4 798 801
Cash book balance at end of year	4 266 519	145 912
Bank statement balance at beginning of year	3 378 654	5 308 833
Bank statement balance at end of year	4 272 316	3 378 654

**Call Investment Deposits**

ABSA Bank Limited - Account Number 2218151720 (Capital Replacement Reserve):	959 150	1 288 162
BOE Bank - Account Number NAMA001/83 (Call Deposit):	37 229 986	35 135 572
ABSA Bank Limited - Account Number 90 6918 2890 (Call Deposit):	648 963	648 963
ABSA Bank Limited - Account Number 20 6629 1015 (Call Deposit):	6 164 552	6 645 993
ABSA Bank Limited - Account Number 20 7051 8265 (Call Deposit):	296 367	281 574
ABSA Bank Limited - Account Number 90 7473 1242 (Leave Reserve):	819 796	1 130 282
ABSA Bank Limited - Account Number 91 1091 2063 (Finance Management Grant):	151 377	79 132
Nuweveld Coop (Members Interest Fund):	1 804	1 804
ABSA Bank Limited - Account Number 22 1815 8326 (Contingency Fund):	791 594	869 434
ABSA Bank Limited - Account Number 91 0726 5605 (Municipal System Improvement Grant):	48 076	22 742
ABSA Bank Limited - Account Number 91 9251 2118 (Swartkop Sportgrounds):	207 475	207 475
ABSA Bank Limited - Account Number 91 9251 2477 (Spoegrivier Sportgrounds):	5 290	5 290
ABSA Bank Limited - Account Number 91 0726 6025 (Richtersveld Special Fund):	3 064	3 013
ABSA Bank Limited - Account Number 91 4340 6867 (EPWP):	553 197	341 240
ABSA Bank Limited - Account Number 91 0726 7005 (IDP):	382 368	392 556
ABSA Bank Limited - Account Number 91 0726 7128 (Fencing):	42 555	42 555
ABSA Bank Limited - Account Number 91 0726 7209 (Kamiesberg Special Fund):	2 297	80 757
ABSA Bank Limited - Account Number 91 0726 7306 (Border Fencing):	54 239	54 239
ABSA Bank Limited - Account Number 91 0726 7372 (SA Projects):	205 909	205 909
ABSA Bank Limited - Account Number 90 7473 1365 (Maintenance Fund):	22 233	22 233
ABSA Bank Limited - Account Number 91 0726 7770 (Sakrivier Bridge):	8 187	512 623
ABSA Bank Limited - Account Number 91 0726 5485 (Komaggas Tar Road):	4 371	4 371
ABSA Bank Limited - Account Number 91 0809 6615 (Namakwa Sanitation Bucket System):	213 395	213 395
ABSA Bank Limited - Account Number 91 8438 7915 (Fire Equipment Grant):	542 094	548 954
ABSA Bank Limited - Account Number 91 0809 6924 (PIMMS):	745 764	1 081 811
ABSA Bank Limited - Account Number 91 0991 1123 (Department of Transport):	2 598 571	4 376 205
ABSA Bank Limited - Account Number 91 1641 4273 (Drought Relief):	73 874	73 874
ABSA Bank Limited - Account Number 91 1931 2230 (Electronic Filing System):	15 227	15 227
ABSA Bank Limited - Account Number 91 2120 8647 (Training Fund SETA):	62 320	619 351
ABSA Bank Limited - Account Number 91 2287 0758 (MIG):	5 546	7 679 608
ABSA Bank Limited - Account Number 91 2356 3504 (Work for Water):	3 895 695	517 772
ABSA Bank Limited - Account Number 92 7425 5686 (Dept. Agriculture, Forestry and Fisheries):	450 709	-
ABSA Bank Limited - Account Number 92 7425 5709 (Civil Defence Grant):	523 008	-
<b>Sub-total for Call Investment Deposits</b>	<b>57 729 052</b>	<b>63 102 116</b>



**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<i>Total Call Investment Deposits are as follows:</i>			
Cash book balance at beginning of year		63 102 116	71 985 747
Cash book balance at end of year		57 729 052	63 102 116
Bank statement balance at beginning of year		63 102 116	71 985 747
Bank statement balance at end of year		57 762 729	63 102 116
<i>Details of Call Investment Deposits are as follows:</i>			
<b>ABSA Bank Limited - Account Number 2218151720 (Capital Replacement Reserve):</b>			
Cash book balance at beginning of year		1 288 162	2 000
Cash book balance at end of year		959 150	1 288 162
Bank statement balance at beginning of year		1 288 580	2 000
Bank statement balance at end of year		959 329	1 288 580
<b>BOE Bank - Account Number NAMA001/83 (Call Deposit):</b>			
Cash book balance at beginning of year		35 135 572	32 986 887
Cash book balance at end of year		37 229 986	35 135 572
Bank statement balance at beginning of year		35 135 572	32 986 887
Bank statement balance at end of year		37 229 986	35 135 572
<b>ABSA Bank Limited - Account Number 90 6918 2890 (Call Deposit):</b>			
Cash book balance at beginning of year		648 963	19 648 963
Cash book balance at end of year		648 963	648 963
Bank statement balance at beginning of year		650 617	19 648 963
Bank statement balance at end of year		650 619	650 617
<b>ABSA Bank Limited - Account Number 20 6629 1015 (Call Deposit):</b>			
Cash book balance at beginning of year		6 645 993	1 374 340
Cash book balance at end of year		6 164 552	6 645 993
Bank statement balance at beginning of year		3 645 993	1 374 340
Bank statement balance at end of year		6 164 552	3 645 993
<b>ABSA Bank Limited - Account Number 20 7051 8265 (Call Deposit):</b>			
Cash book balance at beginning of year		281 574	-
Cash book balance at end of year		296 367	281 574
Bank statement balance at beginning of year		281 574	-
Bank statement balance at end of year		296 367	281 574

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b><i>ABSA Bank Limited - Account Number 90 7473 1242 (Leave Reserve):</i></b>		<b>2012 R</b>	<b>2011 R</b>
Cash book balance at beginning of year		1 130 282	1 355 850
Cash book balance at end of year		819 796	1 130 282
Bank statement balance at beginning of year		1 133 167	1 355 850
Bank statement balance at end of year		821 930	1 133 167
<b><i>ABSA Bank Limited - Account Number 91 1091 2063 (Finance Management Grant):</i></b>			
Cash book balance at beginning of year		79 132	125 741
Cash book balance at end of year		151 377	79 132
Bank statement balance at beginning of year		79 348	125 741
Bank statement balance at end of year		152 081	79 348
<b><i>Nuweveld Coop (Members Interest Fund):</i></b>			
Cash book balance at beginning of year		1 804	1 804
Cash book balance at end of year		1 804	1 804
Bank statement balance at beginning of year		1 804	1 804
Bank statement balance at end of year		1 804	1 804
<b><i>ABSA Bank Limited - Account Number 22 1815 8326 (Contingency Fund):</i></b>			
Cash book balance at beginning of year		869 434	917 927
Cash book balance at end of year		791 594	869 434
Bank statement balance at beginning of year		869 692	917 927
Bank statement balance at end of year		791 829	869 692
<b><i>ABSA Bank Limited - Account Number 91 0726 5605 (Municipal System Improvement Grant):</i></b>			
Cash book balance at beginning of year		22 742	184 599
Cash book balance at end of year		48 076	22 742
Bank statement balance at beginning of year		19 897	184 599
Bank statement balance at end of year		45 385	19 897
<b><i>ABSA Bank Limited - Account Number 91 9251 2118 (Swartzkop Sportgrounds):</i></b>			
Cash book balance at beginning of year		207 475	207 475
Cash book balance at end of year		207 475	207 475
Bank statement balance at beginning of year		208 004	207 475
Bank statement balance at end of year		208 005	208 004
<b><i>ABSA Bank Limited - Account Number 91 9251 2477 (Spoegrivier Sportgrounds):</i></b>			
Cash book balance at beginning of year		5 290	5 290
Cash book balance at end of year		5 290	5 290
Bank statement balance at beginning of year		5 303	5 290
Bank statement balance at end of year		5 303	5 303

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b><i>ABSA Bank Limited - Account Number 91 0726 6025 (Richtersveld Special Fund):</i></b>		<b>2012 R</b>	<b>2011 R</b>
Cash book balance at beginning of year		3 013	92 263
Cash book balance at end of year		3 064	3 013
Bank statement balance at beginning of year		3 029	92 263
Bank statement balance at end of year		3 021	3 029
<b><i>ABSA Bank Limited - Account Number 91 4340 6867 (EPWP):</i></b>			
Cash book balance at beginning of year		341 240	135 792
Cash book balance at end of year		553 197	341 240
Bank statement balance at beginning of year		342 113	135 792
Bank statement balance at end of year		554 612	342 113
<b><i>ABSA Bank Limited - Account Number 91 0726 7005 (IDP):</i></b>			
Cash book balance at beginning of year		392 556	420 906
Cash book balance at end of year		382 368	392 556
Bank statement balance at beginning of year		393 577	420 906
Bank statement balance at end of year		383 345	393 577
<b><i>ABSA Bank Limited - Account Number 91 0726 7128 (Fencing):</i></b>			
Cash book balance at beginning of year		42 555	42 555
Cash book balance at end of year		42 555	42 555
Bank statement balance at beginning of year		42 664	42 555
Bank statement balance at end of year		42 664	42 664
<b><i>ABSA Bank Limited - Account Number 91 0726 7209 (Kamiesberg Special Fund):</i></b>			
Cash book balance at beginning of year		80 757	146 055
Cash book balance at end of year		2 297	80 757
Bank statement balance at beginning of year		81 013	146 055
Bank statement balance at end of year		2 303	81 013
<b><i>ABSA Bank Limited - Account Number 91 0726 7306 (Border Fencing):</i></b>			
Cash book balance at beginning of year		54 239	54 239
Cash book balance at end of year		54 239	54 239
Bank statement balance at beginning of year		54 378	54 239
Bank statement balance at end of year		54 378	54 378
<b><i>ABSA Bank Limited - Account Number 91 0726 7372 (SA Projects):</i></b>			
Cash book balance at beginning of year		205 909	205 909
Cash book balance at end of year		205 909	205 909
Bank statement balance at beginning of year		206 434	205 909
Bank statement balance at end of year		206 435	206 434

**Namakwa District Municipality**  
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	Note	2012 R	2011 R
<b><i>ABSA Bank Limited - Account Number 90 7473 1365 (Maintenance Fund):</i></b>		<b>2012 R</b>	<b>2011 R</b>
Cash book balance at beginning of year		22 233	22 233
Cash book balance at end of year		22 233	22 233
Bank statement balance at beginning of year		22 290	22 233
Bank statement balance at end of year		22 290	22 290
<b><i>ABSA Bank Limited - Account Number 91 0726 7770 (Sakrivier Bridge):</i></b>			
Cash book balance at beginning of year		512 623	512 623
Cash book balance at end of year		8 187	512 623
Bank statement balance at beginning of year		513 931	512 623
Bank statement balance at end of year		8 208	513 931
<b><i>ABSA Bank Limited - Account Number 91 0726 5485 (Komaggas Tar Road):</i></b>			
Cash book balance at beginning of year		4 371	4 371
Cash book balance at end of year		4 371	4 371
Bank statement balance at beginning of year		4 382	4 371
Bank statement balance at end of year		4 382	4 382
<b><i>ABSA Bank Limited - Account Number 91 0809 6615 (Namakwa Sanitation Bucket System):</i></b>			
Cash book balance at beginning of year		213 395	213 395
Cash book balance at end of year		213 395	213 395
Bank statement balance at beginning of year		213 940	213 395
Bank statement balance at end of year		213 940	213 940
<b><i>ABSA Bank Limited - Account Number 91 8438 7915 (Fire Equipment Grant):</i></b>			
Cash book balance at beginning of year		548 954	307 515
Cash book balance at end of year		542 094	548 954
Bank statement balance at beginning of year		550 360	307 515
Bank statement balance at end of year		543 514	550 360
<b><i>ABSA Bank Limited - Account Number 91 0809 6924 (PIMMS):</i></b>			
Cash book balance at beginning of year		1 081 811	1 439 759
Cash book balance at end of year		745 764	1 081 811
Bank statement balance at beginning of year		1 087 962	1 439 759
Bank statement balance at end of year		669 068	1 087 962
<b><i>ABSA Bank Limited - Account Number 91 0991 1123 (Department of Transport):</i></b>			
Cash book balance at beginning of year		4 376 205	4 336 122
Cash book balance at end of year		2 598 571	4 376 205
Bank statement balance at beginning of year		4 386 398	4 336 122
Bank statement balance at end of year		2 604 986	4 386 398

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note	2012 R	2011 R
<b><i>ABSA Bank Limited - Account Number 91 1641 4273 (Drought Relief):</i></b>	<b>2012 R</b>	<b>2011 R</b>
Cash book balance at beginning of year	73 874	357 262
Cash book balance at end of year	73 874	73 874
Bank statement balance at beginning of year	74 063	357 262
Bank statement balance at end of year	74 063	74 063
<b><i>ABSA Bank Limited - Account Number 91 1931 2230 (Electronic Filing System):</i></b>		
Cash book balance at beginning of year	15 227	15 227
Cash book balance at end of year	15 227	15 227
Bank statement balance at beginning of year	15 266	15 227
Bank statement balance at end of year	15 266	15 266
<b><i>ABSA Bank Limited - Account Number 91 2120 8647 (Training Fund SETA):</i></b>		
Cash book balance at beginning of year	619 351	537 418
Cash book balance at end of year	62 320	619 351
Bank statement balance at beginning of year	620 932	537 418
Bank statement balance at end of year	145 345	620 932
<b><i>ABSA Bank Limited - Account Number 91 2287 0758 (MIG):</i></b>		
Cash book balance at beginning of year	7 679 608	6 306 104
Cash book balance at end of year	5 546	7 679 608
Bank statement balance at beginning of year	7 699 209	6 306 104
Bank statement balance at end of year	8 755	7 699 209
<b><i>ABSA Bank Limited - Account Number 91 2356 3504 (Work for Water):</i></b>		
Cash book balance at beginning of year	517 772	12 228
Cash book balance at end of year	3 895 695	517 772
Bank statement balance at beginning of year	518 981	12 228
Bank statement balance at end of year	3 905 250	518 981
<b><i>ABSA Bank Limited - Account Number 92 7425 5686 (Dept. Agriculture, Forestry and Fisheries):</i></b>		
Cash book balance at beginning of year	-	-
Cash book balance at end of year	450 709	-
Bank statement balance at beginning of year	-	-
Bank statement balance at end of year	450 709	-
<b><i>ABSA Bank Limited - Account Number 92 7425 5709 (Civil Defence Grant):</i></b>		
Cash book balance at beginning of year	-	-
Cash book balance at end of year	523 008	-
Bank statement balance at beginning of year	-	-
Bank statement balance at end of year	523 008	-
<b><u>Cash on hand</u></b>	<b>805</b>	<b>755</b>
Total cash and cash equivalents	<b>61 996 376</b>	<b>63 248 782</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

Note	2012 R	2011 R
<b>2 OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS</b>	<b>2012 R</b>	<b>2011 R</b>
Taxes - Rates	168 833	307 969
Correction of error	-	1 069 408
Department of Roads and Public Works	3 072 950	404 985
Other Receivables	894 217	3 165 457
	<u>4 136 000</u>	<u>4 947 819</u>
<b>Less:</b> Provision for bad debts	(2 267 430)	(2 874 371)
<b>Total Receivables from non-exchange transactions</b>	<b><u>1 868 570</u></b>	<b><u>2 073 448</u></b>

The fair value of other receivables approximate their carrying value.

**(Rates): Ageing**

Current (0 - 30 days)	1 247	22 278
31 - 60 Days	1 255	18 852
61 - 90 Days	1 255	16 926
+ 90 Days	165 077	249 913
	<u>168 833</u>	<u>307 969</u>

<b>Summary of Debtors (Rates) by Customer Classification</b>	<b>Residential</b>	<b>Industrial/ Commercial</b>	<b>National and Provincial Government</b>
<b>30 June 2012</b>			
Current (0 - 30 days)	-	1 247	-
31 - 60 Days	-	1 255	-
61 - 90 Days	-	1 255	-
+ 90 Days	-	165 077	-
<b>Sub-total</b>	-	<u>168 833</u>	-
<b>Less:</b> Provision for bad debts	-	-	-
<b>Total debtors by customer classification</b>	-	<u>168 833</u>	-

<b>Summary of Debtors (Rates) by Customer Classification</b>	<b>Residential</b>	<b>Industrial/ Commercial</b>	<b>National and Provincial Government</b>
<b>30 June 2011</b>			
Current (0 - 30 days)	-	21 554	724
31 - 60 Days	-	18 239	613
61 - 90 Days	-	16 376	550
+ 90 Days	-	241 842	8 072
<b>Sub-total</b>	-	<u>298 011</u>	<u>9 959</u>
<b>Less:</b> Provision for bad debts	-	-	-
<b>Total debtors by customer classification</b>	-	<u>298 011</u>	<u>9 959</u>

**Reconciliation of Provision for Bad Debts**

Balance at beginning of year	2 874 371	2 692 735
Contribution to provision	2 094 235	181 636
Bad Debts written off against provision	(2 701 177)	-
Reversal of provision	-	-
	<u>2 267 430</u>	<u>2 874 371</u>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
The total amount of this provision consists of:			
Taxes		-	-
Other receivables		2 267 430	2 874 371
<b>Total Provision for Bad Debts on Trade Receivables from non-exchange transactions</b>		<b>2 267 430</b>	<b>2 874 371</b>

The provision for doubtful debts on debtors (loans and receivables) exists due to the possibility that not all debts will be recovered. Loans and receivables were assessed individually and grouped together at the Statement of Financial Position date as financial assets with similar credit risk characteristics and collectively assessed for impairment.

### 3 OTHER CURRENT FINANCIAL ASSETS

Operating lease asset	<b>63 463</b>	<b>50 663</b>
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#### Reconciliation

Balance at the beginning of the year	50 663	33 289
Movement during the year	12 800	17 374
<b>Balance at the end of the year</b>	<b>63 463</b>	<b>50 663</b>

At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will receive operating lease income as follows:

Up to 1 Year	55 343	50 312
1 to 5 Years	282 531	256 847
More than 5 Years	135 817	216 845
<b>Total Operating Lease Arrangements</b>	<b>473 691</b>	<b>524 003</b>

This operating lease income determined from contracts that have a specific condition income. Property is rent at market related tariffs with a annual increase of 10%. The operating lease agreement expires in December 2018.

### 4 INVENTORIES

#### **Closing balance of inventories:**

Consumable stores	-	<b>680 932</b>
	-	680 932

All the remaining inventory at 30 June 2011 was transferred to the Department of Roads and Public Works in July 2011.

Consumable stores materials written down due to losses as identified during the annual stores counts.

566                      6 569

No inventory assets were pledged as security for liabilities.

### 5 UNPAID CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS

Provincial Government Grants - Department of Transport	-	1 105 408
Correction of Error	-	(1 069 408)
	-	<b>36 000</b>

### 6 INVESTMENTS

#### Financial Instruments

Unlisted Stock: Nuweveld Co-op held for trading	1 146	1 146
	<b>1 146</b>	<b>1 146</b>

Investments are made in terms of the municipality's Cash Management and Investment Policy, as required by means of Regulation R 308 of 1 April 2005 gazetted in the Government Gazette No 27431 of 1 April 2005 and issued by the Minister of Finance.

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

**7 PROPERTY, PLANT AND EQUIPMENT**

**7.1 Reconciliation of Carrying Value**

	Land	Buildings	Infrastructure	Community	Heritage	Other Assets	Finance lease assets	Total
	R	R	R	R	R	R	R	R
<b>as at 1 July 2011</b>	<b>1 822 842</b>	<b>2 688 776</b>	<b>63 252</b>	<b>44 557</b>	<b>-</b>	<b>4 767 519</b>	<b>162 611</b>	<b>9 549 557</b>
Cost	1 822 842	8 122 667	105 417	159 133	-	8 910 914	226 899	19 347 872
Accumulated depreciation and impairment losses	-	(5 433 892)	(42 165)	(114 576)	-	(4 143 395)	(64 288)	(9 798 315)
Acquisitions	-	2 090	31 983	-	-	307 948	23 040	365 061
Depreciation	-	(205 344)	(15 932)	(3 183)	-	(1 268 471)	(51 140)	(1 544 069)
Carrying value of disposals	-	-	-	-	-	<b>(179 197)</b>	-	<b>(179 197)</b>
Cost	-	(250 000)	-	-	-	(1 452 119)	-	(1 702 119)
Accumulated depreciation and impairment losses	-	250 000	-	-	-	1 272 922	-	1 522 922
Impairment loss/Reversal of impairment loss	-	-	-	-	-	(108 544)	-	(108 544)
Cost	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment losses	-	-	-	-	-	(108 544)	-	(108 544)
<b>as at 30 June 2012</b>	<b>1 822 842</b>	<b>2 485 522</b>	<b>79 303</b>	<b>41 375</b>	<b>-</b>	<b>3 519 255</b>	<b>134 511</b>	<b>8 082 808</b>
Cost	1 822 842	7 874 757	137 400	159 133	-	7 766 743	249 939	18 010 814
Accumulated depreciation and impairment losses	-	(5 389 235)	(58 097)	(117 758)	-	(4 247 487)	(115 428)	(9 928 006)

Refer to Appendix B for more detail on property, plant and equipment



**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2011

**7.2 Reconciliation of Carrying Value**

	Land	Buildings	Infrastructure	Community	Heritage	Other Assets	Finance lease assets	Total
	R	R	R	R	R	R	R	R
<b>as at 1 July 2010</b>	<b>33</b>	<b>440 985</b>	<b>6 725 425</b>	<b>-</b>	<b>-</b>	<b>4 284 388</b>	<b>207 991</b>	<b>11 658 822</b>
Cost	33	5 729 284	9 186 280	159 133	-	8 575 660	226 899	23 877 289
Accumulated depreciation and impairment losses	-	(5 288 299)	(2 460 855)	(159 133)	-	(4 291 272)	(18 908)	(12 218 467)
Acquisitions	-	273 946	-	-	-	715 474	-	989 420
Depreciation	-	(193 221)	(267 798)	(3 183)	-	(1 286 137)	(45 380)	(1 795 719)
Impairment loss/Reversal of impairment loss	-	-	-	-	-	(83 125)	-	(83 125)
Cost	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment losses	-	-	-	-	-	(83 125)	-	(83 125)
Carrying value of disposals	-	-	<b>(6 407 054)</b>	-	-	<b>(118 417)</b>	-	<b>(6 525 471)</b>
Cost	-	-	(9 080 863)	-	-	(398 825)	-	(9 479 688)
Accumulated depreciation and impairment losses	-	-	2 673 809	-	-	280 408	-	2 954 217
Change in accounting policy / Correction of error	1 822 809	2 167 066	12 679	47 740	-	1 255 336	-	5 305 629
<b>as at 30 June 2011</b>	<b>1 822 842</b>	<b>2 688 776</b>	<b>63 252</b>	<b>44 557</b>	<b>-</b>	<b>4 767 519</b>	<b>162 611</b>	<b>9 549 557</b>
Cost	1 822 842	8 122 667	105 417	159 133	-	8 910 914	226 899	19 347 872
Accumulated depreciation and impairment losses	-	(5 433 892)	(42 165)	(114 576)	-	(4 143 395)	(64 288)	(9 798 315)

Refer to Appendix B for more detail on property, plant and equipment

**7.3 Other information**

Carrying value of idle property, plant and equipment - Used by Department Roads and Public Works  
Fully depreciated property, plant and equipment still in use

	2012 R	2011 R
Carrying value of idle property, plant and equipment - Used by Department Roads and Public Works	90 028	-
Fully depreciated property, plant and equipment still in use	-	-
	<u>90 028</u>	<u>-</u>

**7.4 Assets pledged as security**

Leased Property, Plant and Equipment of R134 511 is secured for leases as set out in Note 14.

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

Note

**8 INTANGIBLE ASSETS**

**8.1 Reconciliation of carrying value**

**as at 1 July 2011**

Cost  
Accumulated amortisation and impairment losses

Acquisitions  
Amortisation

**as at 30 June 2012**

Cost  
Accumulated amortisation and impairment losses

Intangible Assets R	Total R
1 417 008	1 417 008
2 452 476	2 452 476
(1 035 467)	(1 035 467)
296 469	296 469
(237 561)	(237 561)
<b>1 475 916</b>	<b>1 475 916</b>
2 748 944	2 748 944
(1 273 028)	(1 273 028)

**8.1 Reconciliation of carrying value**

**as at 1 July 2010**

Cost  
Accumulated amortisation and impairment losses

Acquisitions  
Amortisation

Carrying value of disposals

Cost  
Accumulated amortisation

**as at 30 June 2011**

Cost  
Accumulated amortisation and impairment losses

Intangible Assets R	Total R
<b>1 406 119</b>	<b>1 406 119</b>
2 251 980	2 251 980
(845 861)	(845 861)
200 495	200 495
(189 606)	(189 606)
-	-
-	-
-	-
<b>1 417 008</b>	<b>1 417 008</b>
2 452 476	2 452 476
(1 035 467)	(1 035 467)

No intangible asset were assted having an indefinite useful life.

There are no internally generated intangible assets at reporting date.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities.

There are no contractual commitments for the acquisition of intangible assets.

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

**Note**

**9 INVESTMENT PROPERTY CARRIED AT COST**

**9.1 Reconciliation of carrying value**

	Investment property R	Other R	Total R
<b>as at 1 July 2011</b>	<b>393 309</b>	-	<b>393 309</b>
Cost	1 404 678	-	1 404 678
Accumulated depreciation and impairment losses	(1 011 369)	-	(1 011 369)
Acquisitions	-	-	-
Depreciation	(28 094)	-	(28 094)
<b>as at 30 June 2012</b>	<b>365 215</b>	-	<b>365 215</b>
Cost	1 404 678	-	1 404 678
Accumulated depreciation and impairment losses	(1 039 463)	-	(1 039 463)

**9.1 Reconciliation of carrying value**

	Investment property R	Other R	Total R
<b>as at 1 July 2010</b>	<b>421 403</b>	-	<b>421 403</b>
Cost	1 404 678	-	1 404 678
Accumulated depreciation and impairment losses	(983 275)	-	(983 275)
Acquisitions	-	-	-
Depreciation	(28 094)	-	(28 094)
<b>as at 30 June 2011</b>	<b>393 309</b>	-	<b>393 309</b>
Cost	1 404 678	-	1 404 678
Accumulated depreciation and impairment losses	(1 011 369)	-	(1 011 369)

	2012 R	2011 R
<b>9.2 Fair value of investment property carried at cost:</b>	1 404 678	1 404 678

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2012**

**Note**

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note	2012 R	2011 R
<b>10 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS</b>		
Trade creditors	949 547	97 630
Payments received in advance	3 660	64 144
Retentions	0	79 183
Department of Environmental affairs - Work for Water	3 895 695	-
Department of Agriculture, Forestry and Fisheries	450 709	-
Contributions: Project Management Unit	163 546	167 508
Other creditors	3 073 629	3 630 349
<b>Total creditors</b>	<b>8 536 785</b>	<b>4 038 814</b>

Payables are being recognised net of any discounts.

Payables are being paid within 30 days as prescribed by the MFMA. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary.

The fair value of trade and other payables approximates their carrying amounts. All payables are unsecured.

**11 VAT RECEIVABLE**

VAT receivable	303 814	840 946
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VAT is payable on the receipts basis. VAT is paid over to SARS only once payment is received from debtors.

**12 CURRENT EMPLOYEE BENEFITS**

Provision for bonus	419 853	335 870
Current Portion of Post Retirement Benefits (see note 15)	1 160 772	1 174 356
Provision for leave	1 192 347	866 005
Current portion of Long-Service provision (see note 15)	182 997	153 703
<b>Total Provisions</b>	<b>2 955 969</b>	<b>2 529 934</b>

The movement in current provisions are reconciled as follows: -

	Provision for Bonus	Provision for Leave
<b>as at 1 July 2011</b>	335 870	866 005
Contributions to provision	762 940	372 551
Expenditure incurred	(678 957)	(46 208)
<b>as at 30 June 2012</b>	<b>419 853</b>	<b>1 192 347</b>
<b>as at 1 July 2010</b>	655 078	1 497 143
Contributions to provision	883 061	(248 489)
Expenditure incurred	(1 202 269)	(382 649)
<b>as at 30 June 2011</b>	<b>335 870</b>	<b>866 005</b>

**12.1 Staff Bonuses**

Bonuses are being paid to all municipal staff. The balance at year end represent the portion of the bonus that have already vested for the current salary cycle. There is no possibility of reimbursement.

**12.2 Staff Leave**

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave. There is no possibility of reimbursement.

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note	2012 R	2011 R
13 UNSPENT CONDITIONAL GRANTS AND RECEIPTS	2012 R	2011 R
<b>13.1 Unspent Conditional Grants from other spheres of Government</b>		
National Government Grants	868 975	6 763 448
Provincial Government Grants	3 910 018	4 038 946
Other Sources	384 468	882 660
<b>Total Unspent Conditional Grants and Receipts</b>	<b>5 163 460</b>	<b>11 685 054</b>
<b>Non-current unspent conditional grants and receipts</b>	-	-
<b>Current portion of unspent conditional grants and receipts</b>	<b>5 163 460</b>	<b>11 685 054</b>

See Note 19 and appendix "F" for reconciliation of grants from other spheres of government. The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.

Unspent grants can mainly be attributed to projects that are work in progress on the relevant financial year-ends.

**14 FINANCE LEASE LIABILITY**

2012	Minimum lease payment R	Future finance charges R	Present value of minimum lease payments R
<b>Amounts payable under finance leases</b>			
Within one year	72 360	(19 353)	53 007
Within two to five years	115 960	(13 189)	102 771
	<u>188 320</u>	<u>(32 542)</u>	<u>155 778</u>
Less: Amount due for settlement within 12 months (current portion)			(53 007)
			<u><u>102 771</u></u>
 <b>2011</b>			
<b>Amounts payable under finance leases</b>			
Within one year	64 020	(23 143)	40 877
Within two to five years	165 385	(28 076)	137 309
	<u>229 405</u>	<u>(51 219)</u>	<u>178 186</u>
Less: Amount due for settlement within 12 months (current portion)			(40 877)
			<u><u>137 310</u></u>

The capitalised lease liability consist out of the following contracts:

Supplier	Effective Interest rate	Annual Escalation
Nashua - Copiers	14.47%	0%
Supplier	Lease Term	Maturity Date
Nashua - Copiers	5 Years	31/01/2015

Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.

Finance Leases are secured by property, plant and equipment - Note 7

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note	2012 R	2011 R
15 NON-CURRENT EMPLOYEE BENEFITS	2012 R	2011 R
Provision for post retirement health care benefits	15 155 426	14 659 220
Continued operations	8 028 575	7 845 534
Discontinued operations - Note 45	7 126 851	6 813 686
Provision for long-service awards	612 711	633 001
<b>Total Non-Current Employee Benefits</b>	<b>15 768 138</b>	<b>15 292 221</b>

The movement in the non-current employee benefits is reconciled as follows: -

Provision for Post Retirement Health Care Benefits		
<b>Balance at the beginning of year</b>	15 833 576	14 527 891
Contributions to provision	1 449 095	1 461 268
Expenditure incurred	(1 256 573)	(1 074 900)
Increase in provision due to discounting	290 100	919 317
Transfer to current provisions	(1 160 772)	(1 174 356)
<b>Balance at the end of year</b>	<b>15 155 426</b>	<b>14 659 220</b>

Provision for long-service awards:		
<b>Balance at the beginning of year</b>	786 704	1 145 969
Contributions to provision	171 919	218 184
Expenditure incurred	(60 256)	(122 907)
Increase in provision due to discounting	(102 659)	(454 542)
Transfer to current provisions	(182 997)	(153 703)
<b>Balance at the end of year</b>	<b>612 711</b>	<b>633 001</b>

**15.1 Provision for Post Retirement Health Care Benefits**

The Post Retirement Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:

	2012 R	2011 R
In-service (employee) members	54	50
In-service (employee) non-members	6	18
Continuation members (e.g. Retirees, widows, orphans)	43	46
<b>Total Members</b>	<b>103</b>	<b>114</b>

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:

	2010 R	2009 R	2008 R
In-service (employee) members	71	-	-
In-service (employee) non-members	48	-	-
Continuation members (e.g. Retirees, widows, orphans)	47	-	-
<b>Total Members</b>	<b>166</b>	<b>-</b>	<b>-</b>

The liability in respect of past service has been estimated to be as follows:

In-service members	1 818 955	1 850 410
Continuation members	14 497 243	13 983 166
<b>Total Liability</b>	<b>16 316 198</b>	<b>15 833 576</b>

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas  
Hosmed  
LA Health  
Key Health, and  
SAMWU Medical Aid

The Current-service Cost for the ensuing year is estimated to be R209 978, whereas the Interest Cost for the next year is estimated to be R1 160 772.

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	Note	2012 R 2012 %	2011 R 2011 %
Key actuarial assumptions used:			
i) <b>Rate of interest</b>			
Discount rate		7.16	8.27
Health Care Cost Inflation Rate		6.80	7.21
Net Effective Discount Rate		0.33	0.99
ii) <b>Mortality rates</b>			

The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.

iii) **Normal retirement age**

The normal retirement age for employees of the municipality is 60 years.

The amounts recognised in the Statement of Financial Position are as follows:

	2012 R	2011 R
Present value of fund obligations	16 316 198	15 833 576
Fair value of plan assets	-	-
	<u>16 316 198</u>	<u>15 833 576</u>
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present Value of unfunded obligations	-	-
<b>Net liability/(asset)</b>	<b><u>16 316 198</u></b>	<b><u>15 833 576</u></b>

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25, Employee Benefits.

**Reconciliation of present value of fund obligation:**

Present value of fund obligation at the beginning of the year	15 833 576	14 527 891
Total expenses	192 522	386 368
Current service cost	187 577	209 443
Interest Cost	1 261 518	1 251 825
Benefits Paid	(1 256 573)	(1 074 900)
Actuarial (gains)/losses	290 100	919 317
<b>Present value of fund obligation at the end of the year</b>	<b><u>16 316 198</u></b>	<b><u>15 833 576</u></b>

	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)
<b>Sensitivity Analysis on the Accrued Liability</b>			
<b>Assumption</b>			
Central Assumptions	1.819	14.497	16.316

The effect of movements in the assumptions are as follows:

	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)
<b>Assumption</b>			
Health care inflation	2.184	15.783	17.967
Health care inflation	1.531	13.372	14.903
Post-retirement mortality	1.890	15.181	17.071
Average retirement age	1.936	14.497	16.433
Withdrawal Rate	2.126	14.497	16.623

	Change	% change
Health care inflation	1%	10%
Health care inflation	-1%	-9%
Post-retirement mortality	-1 year	5%
Average retirement age	-1 year	1%
Withdrawal Rate	-50%	2%



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	Note	2012 R	2011 R
<b>15.2 Provision for Long Service Bonuses</b>			
The Long Service Bonus plans are defined benefit plans. As at year end, 60 employees were eligible for Long Service Bonuses.			
The Current-service Cost for the ensuing year is estimated to be R133 101 whereas the Interest Cost for the next year is estimated to be R44 861.			
Key actuarial assumptions used:			
		2012 %	2011 %
i) <b>Rate of interest</b>			
Discount rate		6.38	7.84
General Salary Inflation (long-term)		5.97	6.29
Net Effective Discount Rate applied to salary-related Long Service Bonuses		0.39	1.46
<b>The amounts recognised in the Statement of Financial Position are as follows:</b>			
Present value of fund obligations		795 708	786 704
Fair value of plan assets		-	-
		<u>795 708</u>	<u>786 704</u>
Unrecognised past service cost		-	-
Unrecognised actuarial gains/(losses)		-	-
Present Value of unfunded obligations		-	-
<b>Net liability/(asset)</b>		<u><b>795 708</b></u>	<u><b>786 704</b></u>
<b>Reconciliation of present value of fund obligation:</b>			
		2012 R	2011 R
Present value of fund obligation at the beginning of the year		786 704	1 145 969
Total expenses		111 663	95 278
Current service cost		116 282	123 476
Interest Cost		55 637	94 709
Benefits Paid		(60 256)	(122 907)
Actuarial (gains)/losses		(102 659)	(454 542)
<b>Present value of fund obligation at the end of the year</b>		<u><b>795 708</b></u>	<u><b>786 705</b></u>
<b>Sensitivity Analysis on the Unfunded Accrued Liability</b>			
<b>Assumption</b>	<b>Change</b>	<b>Liability (Rm)</b>	<b>% change</b>
Central assumptions		0.796	
General salary inflation	1%	0.844	6%
General salary inflation	-1%	0.752	-6%
Average retirement age	-2 yrs	0.705	-11%
Average retirement age	2 yrs	0.846	6%
Withdrawal rates	-50%	0.964	24%

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	Note	2012 R	2011 R
<b>15.3 Retirement funds</b>			
Therefore, although the Cape Joint Retirement Fund is a Multi Employer fund defined as defined benefit plan, it will be accounted for as defined contribution plan. All the required disclosure has been made as defined in GRAP 25.31.			
<b><u>CAPE JOINT PENSION FUND</u></b>			
The contribution rate payable is 9%, by the members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 98.1% (30 June 2010 - 100%).			
Contributions paid recognised in the Statement of Financial Performance		98 626	60 020
<b><u>CAPE JOINT RETIREMENT FUND</u></b>			
The contribution rate paid by the members (9,0%) and Council (18,0%). The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 116,9% (30 June 2010 - 100,3%).			
Contributions paid recognised in the Statement of Financial Performance		1 023 811	448 024
<b><u>DEFINED CONTRIBUTION FUNDS</u></b>			
Council contribute to the Government Employees Pension Fund, Municipal Council Pension Fund, IMATU Retirement Fund and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.			
<b>Contributions paid recognised in the Statement of Financial Performance</b>			
Government Employees Pension Fund		97 457	170 941
Sanlam Retirement Fund		-	145 485
SAMWU National Provident Fund		437 052	349 113
		<u>534 509</u>	<u>665 540</u>
<b>16 RENTAL OF FACILITIES AND EQUIPMENT</b>			
Rental of facilities		898 819	577 317
Rental of equipment		-	-
Other rentals		-	-
<b>Total rentals</b>		<u>898 819</u>	<u>577 317</u>
<b>17 INTEREST EARNED - EXTERNAL INVESTMENTS</b>			
Bank		-	-
Financial assets		3 068 673	3 407 420
Other		-	-
<b>Total interest</b>		<u>3 068 673</u>	<u>3 407 420</u>
<b>18 INTEREST EARNED - OUTSTANDING RECEIVABLES</b>			
Other receivables		247 544	202 005
Other		-	-
<b>Total interest</b>		<u>247 544</u>	<u>202 005</u>
<b>19 GOVERNMENT GRANTS AND SUBSIDIES</b>			
<b><u>Unconditional</u></b>			
Equitable share		3 437 000	5 704 000
<b><u>Conditional</u></b>			
Grants and Donations		36 234 308	33 873 642
<b>Total Government Grant and Subsidies</b>		<u>39 671 308</u>	<u>39 577 642</u>

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Note	2012 R	2011 R
<b>Disclosed as follows:</b>		
Government Grants and Subsidies - Operating	39 671 308	39 514 134
Government Grants and Subsidies - Capital	-	63 508
<b>Total Government Grant and Subsidies</b>	<b>39 671 308</b>	<b>39 577 642</b>
<b>19.1 Equitable Share</b>		
<b>Balance unspent at beginning of year</b>	-	-
Current year receipts	3 437 000	5 704 000
Conditions met - operating	(3 437 000)	(5 704 000)
Conditions met - capital	-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>	<b>-</b>	<b>-</b>
<p><i>The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.</i></p>		
<b>19.2 Local Government Financial Management Grant (FMG)</b>		
<b>Balance unspent at beginning of year</b>	3 134	125 741
Current year receipts	1 250 000	1 000 000
Conditions met - operating	(1 101 757)	(1 091 354)
Conditions met - capital	-	(31 253)
<b>Conditions still to be met - remain liabilities (see note 14)</b>	<b>151 377</b>	<b>3 134</b>
<p><i>The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).</i></p>		
<b>19.3 Municipal Systems Improvement Grant (MSIG)</b>		
<b>Balance unspent at beginning of year</b>	2 117	184 599
Current year receipts	150 000	150 000
Conditions met - operating	(106 885)	(332 482)
Conditions met - capital	-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>	<b>45 232</b>	<b>2 117</b>
<p><i>The Municipal Systems Improvement Grant was used for building in-house capacity to perform municipal functions and stabilise institutional and governance systems.</i></p>		

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	Note	2012 R	2011 R
<b>19.4 Municipal Infrastructure Grant (MIG)</b>			
Balance unspent at beginning of year		5 629 063	6 306 104
Current year receipts		-	5 242 000
Conditions met - operating		(5 623 517)	(5 919 041)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>5 546</b>	<b>5 629 063</b>
<i>The Municipal Infrastructure Grant was used to upgrade infrastructure in previously disadvantaged areas.</i>			
<b>19.5 RSC Levies Replacement Grant</b>			
Balance unspent at beginning of year		-	-
Current year receipts		23 182 000	22 808 508
Conditions met - operating		(23 182 000)	(22 808 508)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>-</b>	<b>-</b>
<i>This is an unconditional grant established to make provision for income for the District Municipalities after the RSC levies were terminated.</i>			
<b>19.6 Councillors Remuneration Grant</b>			
Balance unspent at beginning of year		-	-
Current year receipts		902 000	778 000
Conditions met - operating		(902 000)	(778 000)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>-</b>	<b>-</b>
<i>This is an unconditional grant to co-funding the councillors remuneration.</i>			
<b>19.7 Planning and Implementation Management System</b>			
Balance unspent at beginning of year		1 129 135	1 528 459
Current year receipts		640 000	600 001
Conditions met - operating		(1 102 315)	(995 860)
Conditions met - capital		-	(3 465)
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>666 820</b>	<b>1 129 135</b>
<i>This is a planning reserve and is utilised for planning purposes.</i>			
<b>19.8 Border Fencing</b>			
Balance unspent at beginning of year		54 239	54 239
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>54 239</b>	<b>54 239</b>
<i>This grant was established to make provision for fencing next to public roads.</i>			
<b>19.9 Health Inspector Subsidy</b>			
Balance unspent at beginning of year		-	-
Current year receipts		1 959 000	-
Conditions met - operating		(1 959 000)	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>-</b>	<b>-</b>
<i>This unconditional grant is part of the equitable share and services to subsidise municipal health care.</i>			
<b>19.10 Civil Defence Subsidy</b>			
Balance unspent at beginning of year		348 477	-
Current year receipts		754 000	900 000
Conditions met - operating		(579 469)	(551 523)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>523 008</b>	<b>348 477</b>
<i>This conditional grant is to establish a disaster management centre.</i>			

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	Note	2012 R	2011 R
<b>19.11 Department of Transport</b>			
Balance unspent at beginning of year		-	632 143
Current year receipts		-	14 445 102
Conditions met - operating		-	(16 182 652)
Conditions met - capital		-	-
Correction of error (See Note 35)		-	1 105 408
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>-</b>	<b>-</b>
<i>This is the allocation by the Department of Transport in the Northern Cape to maintain the roads function on behalf of the Department of Transport.</i>			
<b>19.12 Drought Relief</b>			
Balance unspent at beginning of year		73 874	357 262
Current year receipts		-	-
Conditions met - operating		-	(283 388)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>73 874</b>	<b>73 874</b>
<i>This grant is to assist communities in drought relief.</i>			
<b>19.13 Expanded Public Works Program</b>			
Balance unspent at beginning of year		341 792	135 792
Current year receipts		212 000	206 000
Conditions met - operating		(595)	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>553 197</b>	<b>341 792</b>
<i>This grant service to establish work in local communities.</i>			
<b>19.14 Fire Equipment Grant</b>			
Balance unspent at beginning of year		542 334	307 515
Current year receipts		371 000	350 000
Conditions met - operating		(371 240)	(86 391)
Conditions met - capital		-	(28 790)
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>542 094</b>	<b>542 334</b>
<i>This grant is to assist local municipalities to render a fire service.</i>			
<b>19.15 Integrated Development Planning</b>			
Balance unspent at beginning of year		392 556	420 906
Current year receipts		-	-
Conditions met - operating		(10 189)	(28 350)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>382 368</b>	<b>392 556</b>
<i>This reserve assist the municipality to compile and maintain the Integrated Development Plan.</i>			
<b>19.16 Komaggas Road</b>			
Balance unspent at beginning of year		4 371	4 371
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>4 371</b>	<b>4 371</b>
<i>This grant was used to build the Komaggas road.</i>			
<b>19.17 SA Projects</b>			
Balance unspent at beginning of year		205 909	205 909
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>205 909</b>	<b>205 909</b>
<i>This grant is to create work programmes in local communities.</i>			

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	Note	2012 R	2011 R
<b>19.18 Namaqua Sanitation Bucket System</b>			
Balance unspent at beginning of year		213 395	213 395
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>213 395</u>	<u>213 395</u>
<b>19.19 NC Housing</b>			
Balance unspent at beginning of year		500 000	500 000
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>500 000</u>	<u>500 000</u>
<i>This grant is to establish a housing unit at the District level.</i>			
<b>19.20 Sakrivier Bridge</b>			
Balance unspent at beginning of year		512 623	512 623
Current year receipts		-	-
Conditions met - operating		(504 436)	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>8 187</u>	<u>512 623</u>
<i>This grant was used to rebuild the sakriver bridge after flooding .</i>			
<b>19.21 Contingency Fund</b>			
Balance unspent at beginning of year		791 594	917 927
Current year receipts		-	-
Conditions met - operating		-	(126 333)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>791 594</u>	<u>791 594</u>
<i>This grant originated from the fuel levy and is used for projects determined by council.</i>			
<b>19.22 Fencing</b>			
Balance unspent at beginning of year		42 555	42 555
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>42 555</u>	<u>42 555</u>
<i>This grant was established to make provision for fencing next to public roads.</i>			
<b>19.23 Electronic Filing System</b>			
Balance unspent at beginning of year		15 227	15 227
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>15 227</u>	<u>15 227</u>
<i>The grant was used to implement an electronic filing system.</i>			
<b>19.24 Brandvlei Electricity Network</b>			
Balance unspent at beginning of year		-	12 896
Current year receipts		-	-
Conditions met - operating		-	(12 896)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 14)		<u>-</u>	<u>-</u>
<i>This grant was used to upgrade the electricity network in Brandvlei.</i>			

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	Note	2012 R	2011 R
<b>19.25 Maintenance Fund</b>			
Balance unspent at beginning of year		22 233	22 233
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>22 233</b>	<b>22 233</b>
<i>This grant was established to assist in the maintaining of assets.</i>			
<b>19.26 Spoegrivier Sport Ground (Lotto)</b>			
Balance unspent at beginning of year		5 290	5 290
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>5 290</b>	<b>5 290</b>
<i>This grant was received to build a sports ground in Spoegrivier.</i>			
<b>19.27 Swartzkop Sport Ground (Lotto)</b>			
Balance unspent at beginning of year		207 475	207 475
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>207 475</b>	<b>207 475</b>
<i>This grant was received to build a sports ground in Swartzkop.</i>			
<b>19.28 Training Reserve (SETA)</b>			
Balance unspent at beginning of year		619 351	537 418
Current year receipts		114 228	81 934
Conditions met - operating		(589 419)	-
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>144 160</b>	<b>619 351</b>
<i>This is the amount claimed back from SETA for training and is utilised for training.</i>			
<b>19.29 Kamiesberg Special Fund</b>			
Balance unspent at beginning of year		25 297	146 055
Current year receipts		-	497 000
Conditions met - operating		(23 000)	(617 758)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>2 297</b>	<b>25 297</b>
<i>This grant is used to purify the water in the local settlements.</i>			
<b>19.30 Richtersveld Special Fund</b>			
Balance unspent at beginning of year		3 013	92 263
Current year receipts		-	53 000
Conditions met - operating		-	(142 250)
Conditions met - capital		-	-
<b>Conditions still to be met - remain liabilities (see note 14)</b>		<b>3 013</b>	<b>3 013</b>
<i>This grant is used to purify the water in the local settlements.</i>			
<b>19.31 Total Grants</b>			
Opening balance		11 685 054	13 488 397
Grants received		32 971 228	52 815 544
Conditions met - Operating		(39 492 822)	(55 660 786)
Conditions met - Capital		-	(63 508)
Correction of error (See Note 45)		-	1 105 408
<b>Conditions still to be met/(Grant expenditure to be recovered)</b>		<b>5 163 460</b>	<b>11 685 054</b>
<b>Disclosed as follows:</b>			
Unspent Conditional Government Grants and Receipts		5 163 460	11 685 054
<b>Total</b>		<b>5 163 460</b>	<b>11 685 054</b>

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	Note	2012 R	2011 R
<b>20 OTHER INCOME</b>			
<b>Revenue from Exchange Transactions</b>			
Admin Fees		1 047 611	567 244
Bad Debt Recovered		1 021	550
Sundries		166 211	93 778
Contributions received: Project Management Unit		516 204	114 994
Brosures		977	1 092
Insurance Claims		-	60 133
Income from Agency Services		-	1 474 404
<b>Revenue from Non-Exchange Transactions</b>			
Acturial Gains		102 659	454 542
<b>Total Other Income</b>		<b>1 834 682</b>	<b>2 766 736</b>
<b>21 EMPLOYEE RELATED COSTS</b>			
Employee related costs - Salaries and Wages		11 728 625	6 665 189
Employee related costs - Contributions for UIF, pensions and medical aids		2 057 418	3 570 577
Travel, motor car, accommodation, subsistence and other allowances		1 492 886	951 436
Housing benefits and allowances		248 532	464 115
Overtime payments		235 887	258 718
Performance and other bonuses		762 940	634 571
Provision for leave		372 551	248 489
Contribution to provision - Long Service Awards - Note 15		116 282	123 475
Contribution to provision - Post Retirement Medical - Note 15		187 577	209 443
<b>Total Employee Related Costs</b>		<b>17 202 697</b>	<b>13 126 013</b>
There were no advances to employees / Loans to employees are set out in note 3.			
<b>Remuneration of the Municipal Manager (Current)</b>			
Annual Remuneration		426 679	-
Performance- and other bonuses		9 633	-
Travel, motor car, accommodation, subsistence and other allowances		116 644	-
Contributions to UIF, Medical and Pension Funds		140 505	-
<b>Total</b>		<b>693 461</b>	<b>-</b>
<b>Remuneration of the Chief Finance Officer (Former)</b>			
Annual Remuneration		-	77 014
Performance- and other bonuses		-	28 880
Travel, motor car, accommodation, subsistence and other allowances		-	34 833
Contributions to UIF, Medical and Pension Funds		-	15 543
Leave payout		-	220 840
<b>Total</b>		<b>-</b>	<b>377 110</b>
<b>Remuneration of the Chief Finance Officer (Current)</b>			
Annual Remuneration		521 412	39 767
Performance- and other bonuses		13 725	-
Travel, motor car, accommodation, subsistence and other allowances		138 011	18 625
Contributions to UIF, Medical and Pension Funds		153 667	860
<b>Total</b>		<b>826 816</b>	<b>59 252</b>
<b>Remuneration of Head of Human Resources</b>			
Annual Remuneration		331 548	308 918
Performance- and other bonuses		72 629	25 435
Travel, motor car, accommodation, subsistence and other allowances		137 957	198 329
Contributions to UIF, Medical and Pension Funds		73 091	59 269
<b>Total</b>		<b>615 225</b>	<b>591 951</b>



**Namakwa District Municipality**  
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for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>Remuneration of Head of Environmental Health</b>			
Annual Remuneration		349 428	329 960
Performance- and other bonuses		29 119	27 450
Travel, motor car, accommodation, subsistence and other allowances		152 693	162 403
Contributions to UIF, Medical and Pension Funds		95 996	87 043
Total		<b>627 237</b>	<b>606 856</b>
<b>Remuneration of Head of PIMMS (Former Acting Municipal Manager)</b>			
Annual Remuneration		601 236	567 736
Performance- and other bonuses		18 037	-
Acting Allowance (Municipal Manager)		38 901	435 572
Travel, motor car, accommodation, subsistence and other allowances		4 672	100 609
Contributions to UIF, Medical and Pension Funds		7 162	4 012
Total		<b>670 008</b>	<b>1 107 929</b>
<b>Remuneration of Head of Economic Development (Current)</b>			
Annual Remuneration		288 728	45 182
Performance- and other bonuses		13 851	-
Travel, motor car, accommodation, subsistence and other allowances		134 273	31 492
Contributions to UIF, Medical and Pension Funds		91 037	14 218
Total		<b>527 890</b>	<b>90 892</b>
<b>Remuneration of Head of Economic Development (Former)</b>			
Annual Remuneration		-	28 621
Performance- and other bonuses		-	16 721
Leave payout		-	19 250
Travel, motor car, accommodation, subsistence and other allowances		-	15 439
Contributions to UIF, Medical and Pension Funds		-	7 449
Total		<b>-</b>	<b>87 479</b>
<b>Remuneration of Head of Projects</b>			
Annual Remuneration		311 472	293 616
Performance- and other bonuses		25 956	24 468
Travel, motor car, accommodation, subsistence and other allowances		156 590	184 235
Contributions to UIF, Medical and Pension Funds		84 198	74 111
Total		<b>578 216</b>	<b>576 430</b>
<b>Remuneration of Head of Administration</b>			
Annual Remuneration		319 272	301 484
Performance- and other bonuses		26 606	25 081
Travel, motor car, accommodation, subsistence and other allowances		150 377	159 801
Contributions to UIF, Medical and Pension Funds		78 375	70 161
Total		<b>574 630</b>	<b>556 527</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>22 REMUNERATION OF COUNCILLORS</b>			
Executive Mayor		559 756	429 785
Speaker		359 852	346 011
Executive Committee Members		-	-
Councillors		874 253	885 166
Councillors' allowances		471 523	595 909
<b>Total Councillors' Remuneration</b>		<b>2 265 384</b>	<b>2 256 871</b>
<b>In-kind Benefits</b>			
The Executive Mayor, Speaker are full-time. Each is provided with an office and secretarial support at the cost of the Council.			
The Executive Mayor may utilise official Council transportation when engaged in official duties.			
<b>Certification by the Municipal Manager</b>			
I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.			
.....			
<b>Signed: Municipal Manager</b>			
<b>23 DEPRECIATION AND AMORTISATION EXPENSE</b>			
Property, plant and equipment		1 544 069	1 794 913
Intangible assets		237 561	189 606
Investment property carried at cost		28 094	28 904
<b>Total Depreciation and Amortisation</b>		<b>1 809 723</b>	<b>2 013 423</b>
<b>24 FINANCE COSTS</b>			
Borrowings		30 877	145 588
Non-current employee benefits		1 317 155	1 346 534
<b>Total Finance Costs</b>		<b>1 348 032</b>	<b>1 492 122</b>
<b>25 CONTRACTED SERVICES</b>			
Contracted services		-	57 357
		-	<b>57 357</b>
<b>26 GRANTS AND SUBSIDIES PAID</b>			
Grants that are paid to B - Municipalities		2 800 685	5 834 507
		<b>2 800 685</b>	<b>5 834 507</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>27 GENERAL EXPENSES</b>			
Included in general expenses are the following:-			
Actuarial losses		290 100	919 317
Advertising		469 570	431 045
Admin fees		223 576	1 440 519
Audit fees		1 266 177	863 099
Bank charges		66 252	86 917
Bursaries		20 448	18 972
Conferences and delegations		42 028	14 730
Consumables		37 135	238 573
Entertainment		178 912	97 241
Financial management grant		1 311 875	1 091 354
Fuel and oil		339 433	2 713 378
Insurance		191 958	92 881
Legal expenses		142 337	47 533
Licence fees - vehicles		6 330	5 785
Licence fees - computers		81 734	48 450
Membership fees		229 876	145 138
Municipal Infrastructure Grants		5 623 517	5 919 041
Postage		5 649	2 685
Printing and stationery		244 037	170 810
Project Development		1 377 257	118 823
Rental of office equipment		6 291	22 942
Sakrivier Bridge		504 436	-
Skills development levies		160 339	179 036
Trade test centre		2 500 000	-
Telephone cost		475 522	637 186
Training		589 419	432 721
Transport claims		21 933	27 245
Travel and subsistence		1 942 156	1 203 000
Uniforms & overalls		1 187	44 670
Other operating expenses		2 063 518	96 746
		<b>20 413 002</b>	<b>17 109 837</b>
<b>28 GAIN / (LOSS) ON SALE OF ASSETS</b>			
Property, plant and equipment		(179 197)	(6 525 471)
<b>Total Gain / (Loss) on Sale of Assets</b>		<b>(179 197)</b>	<b>(6 525 471)</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

Note	2012 R	2011 R
<b>29 IMPAIRMENT LOSS / (REVERSAL OF IMPAIRMENT LOSS)</b>		
Property, plant and equipment	108 544	83 125
<b>Total Impairment loss / (Reversal of Impairment Loss)</b>	<b>108 544</b>	<b>83 125</b>
<b>30 NET SURPLUS/(DEFICIT) FROM DISCONTINUED OPERATIONS</b>		
<b>Revenue</b>		
Property Taxes	-	403 970
Government Grants and Subsidies	-	16 182 652
<b>Expenditure</b>		
Employee related costs	-	(8 047 615)
Repairs and Maintenance	-	(1 642 719)
Other Operating Grant Expenditure	-	(3 565 895)
General Expenses	-	(2 921 438)
<b>Total Profit / (Loss) on Fair Value Adjustment</b>	<b>-</b>	<b>408 954</b>
<p>Namakwa District Municipality provided services to District Management Areas under their control. These areas were transferred by a section 12 notice by the MEC of Cooperative Governance and Transitional Affairs to Local B-Municipalities. Since 30 June 2011, Namakwa District Municipality has no longer control over these District Management Areas and provide no longer any services to these areas.</p> <p>Namakwa District Municipality is from 1 July 2011 no longer an agent for Department of Roads and Public Works. The maintenance of roads function was transferred back to the department.</p>		
<b>31 CASH GENERATED BY OPERATIONS</b>		
Surplus/(deficit) for the year	(2 990 403)	(1 877 239)
Adjustment for:-		
Depreciation and amortisation	1 809 723	2 013 423
(Gain) / loss on sale of assets	179 197	6 525 471
Contribution to provisions - Non-Current Provisions	288 476	332 918
Contribution to provisions - Actuarial Loss	290 100	919 317
Contribution to provisions - Actuarial Gain	(102 659)	(454 542)
Debt Impairment	2 094 235	181 636
Bad Debts written-off	(2 701 177)	-
Operating lease income	(12 800)	(17 374)
Impairment loss / (reversal of impairment loss)	108 544	83 125
<b>Operating surplus before working capital changes:</b>	<b>(1 036 764)</b>	<b>7 706 735</b>
(Increase)/decrease in Inventories	680 932	(198 565)
(Increase)/decrease in Employee benefits	-	(801 619)
(Increase)/decrease in Other receivables	811 820	(404 247)
(Increase)/decrease in VAT receivable	537 132	(256 032)
Increase/(decrease) in Conditional grants and receipts	(6 521 594)	(1 714 642)
Increase/(decrease) in Trade payables	4 497 971	(11 372 536)
(Increase)/Decrease in Unpaid Conditional Government Grants and Receipts	36 000	(1 105 408)
Increase/(decrease) in Current Employee Benefits	426 035	-
<b>Cash generated by/(utilised in) operations</b>	<b>(568 468)</b>	<b>(8 146 314)</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>32 CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents included in the cash flow statement comprise the following:			
Bank balances and cash - Note 1		61 996 376	63 248 782
Bank overdrafts		-	-
<b>Net cash and cash equivalents (net of bank overdrafts)</b>		<b>61 996 376</b>	<b>63 248 782</b>
<b>33 RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES</b>			
Cash and Cash Equivalents - Note 32		61 996 376	63 248 782
<b>Less:</b>			
Unspent Committed Conditional Grants - Note 13		(5 163 460)	(11 685 054)
Net cash resources available for internal distribution		56 832 916	51 563 728
<b>Allocated to:</b>			
Capital Replacement Reserve		(959 150)	(710 770)
<b>Resources available for working capital requirements</b>		<b>55 873 766</b>	<b>50 852 958</b>
<b>34 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION</b>			
Long-term liabilities (see Note 14)		155 778	178 186
Used to finance property, plant and equipment – at cost		(155 778)	(178 186)
Sub- total		-	-
Cash set aside for the repayment of long-term liabilities		-	-
<b>Cash invested for repayment of long-term liabilities</b>		<b>-</b>	<b>-</b>
Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.			

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R															
<b>35 CORRECTION OF ERROR</b>																		
<b>35.1 Unpaid grants and receipts</b>																		
During the year ended 30 June 2011, amounts due by Department of Transport were erroneously disclosed as unpaid grants and subsidies: -																		
<b>Balance previously reported</b>		-	<b>1 105 408</b>															
Transfer to other receivables from non-exchange transactions		-	(1 105 408)															
Transfer from other receivables from non-exchange transactions		-	36 000															
<b>Restated balance</b>		-	<b>36 000</b>															
<b>35.2 Other receivables from non-exchange transactions</b>																		
During the year ended 30 June 2011, unpaid grants of R 36000 was incorrectly disclosed as other receivables from non-exchange transactions.																		
<b>Balance previously reported</b>		-	<b>1 004 040</b>															
Transfer from unpaid grants and receipts		-	1 105 408															
Transfer to unpaid grants and receipts		-	(36 000)															
<b>Restated balance</b>		-	<b>2 073 448</b>															
<b>UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE</b>																		
<b>36 DISALLOWED</b>																		
<b>36.1 Unauthorised expenditure</b>																		
Reconciliation of unauthorised expenditure																		
Opening balance		-	815 434															
Unauthorised expenditure current year		1 050 493	-															
Approved by Council or condoned		-	(815 434)															
Transfer to receivables for recovery		-	-															
Unauthorised expenditure awaiting authorisation		<b>1 050 493</b>	-															
<div><div><b>Incident</b></div><div>The unauthorised expenditure incurred was due to items very difficult to budget for as indicated below:</div><table><tr><td>Acturial Loss</td><td>R</td><td>290 100</td></tr><tr><td>Current Medical Service cost</td><td>R</td><td>187 577</td></tr><tr><td>Current Long Service cost</td><td>R</td><td>116 282</td></tr><tr><td>Movement in Bonus provision</td><td>R</td><td>83 983</td></tr><tr><td>Movement in Leave provision</td><td>R</td><td>372 551</td></tr></table><div>Therefore, the unauthorised will be tabled at the next council meeting for condonement.</div></div>				Acturial Loss	R	290 100	Current Medical Service cost	R	187 577	Current Long Service cost	R	116 282	Movement in Bonus provision	R	83 983	Movement in Leave provision	R	372 551
Acturial Loss	R	290 100																
Current Medical Service cost	R	187 577																
Current Long Service cost	R	116 282																
Movement in Bonus provision	R	83 983																
Movement in Leave provision	R	372 551																
<b>36.2 Fruitless and wasteful expenditure</b>																		
Reconciliation of fruitless and wasteful expenditure																		
Opening balance -		-	1 530 457															
Fruitless and wasteful expenditure current year		-	-															
Condoned or written off by Council		-	(1 530 457)															
To be recovered – contingent asset (see note 55)		-	-															
Fruitless and wasteful expenditure awaiting condonement		-	-															
<b>36.3 Irregular expenditure</b>																		
Reconciliation of irregular expenditure																		
Opening balance		-	6 323 059															
Fruitless and wasteful expenditure current year		-	-															
Condoned or written off by Council		-	(6 323 059)															
Transfer to receivables for recovery – not condoned		-	-															
Irregular expenditure awaiting condonement		-	-															

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note	2012 R	2011 R
<b>ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE</b>		
<b>37 MANAGEMENT ACT</b>		
<b>37.1 Contributions to organised local government - [MFMA 125 (1)(b)] - (SALGA CONTRIBUTIONS)</b>		
Opening balance	-	-
Council subscriptions	205 275	173 591
Amount paid - current	(205 275)	(173 591)
Amount paid - previous years		
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>-</b>
<b>37.2 Audit fees - [MFMA 125 (1)(c)]</b>		
Opening balance	77 027	-
Current year audit fee	1 184 501	863 099
Amount paid - current year	(1 184 501)	(786 072)
Amount paid - previous years	(77 027)	
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>77 027</b>
<b>37.3 VAT - [MFMA 125 (1)(c)]</b>		
Opening balance	840 946	605 290
Amounts received - current year	(1 738 982)	(1 670 692)
Amounts claimed - current year (payable)	1 263 997	1 906 348
Amount paid - current year	-	-
Amount paid - previous year	-	-
	<b>365 960</b>	<b>840 946</b>
VAT is payable on the receipt basis. Only once payment is received from the debtors is VAT paid over to SARS. All VAT returns have been submitted by the due date throughout the year.		
<b>37.4 PAYE and UIF - [MFMA 125 (1)(c)]</b>		
Opening balance	-	-
Current year payroll deductions	2 854 627	2 961 818
Amount paid - current year	(2 854 627)	(2 961 818)
Amount paid - previous years	-	-
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>-</b>
<b>37.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(c)]</b>		
Opening balance	-	-
Current year payroll deductions and Council Contributions	4 436 037	5 340 930
Amount paid - current year	(4 436 037)	(5 340 930)
Amount paid - previous years	-	-
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>-</b>
<b>37.6 Non-compliance with Chapter 14 of the Municipal Finance Management Act</b>		
Non-compliance to the Supply Chain Management Regulations were identified on the following categories:	<b>Less than R30,000</b>	<b>Between R30,001 and R200,000</b>
Executive & Council	215 279	70 680
Corporate Services	49 130	-
Community Services	22 620	
Economic Development and Planning	30 850	
	<b>317 879</b>	<b>70 680</b>

**Namakwa District Municipality**  
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	Note	2012 R	2011 R
<b>38 CONTINGENT LIABILITY</b>			
<b>38.1 IMATU / SAWMU DISPUTE AGAINST SALGA</b>			
<p>The Trade Union, IMATU, contested the implementation of a wage curve agreement in the Labour Court and the court ruled in favour of IMATU. The Employers Organisation, SALGA, resolved to take the ruling of the Labour Court on review. The effect of the ruling is a general 2% increase in remuneration as from October 2009. The judgement in favour of the union was given on 22 June 2012. However SALGA lodged a successful appeal on 24 July 2012.</p>			
<b>39 IN-KIND DONATIONS AND ASSISTANCE</b>			
<p>The municipality did not receive any in-kind donations or assistance during the year under review.</p>			
<b>40 RELATED PARTIES</b>			
<p>Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers.</p>			
<b>40.1 Compensation of key management personnel</b>			
<p>The compensation of key management personnel is set out in note 21 to the Annual Financial Statements.</p>			
<b>41 EVENTS AFTER THE REPORTING DATE</b>			
<p>The Municipality is not aware of any events after the reporting date.</p>			
<b>42 FINANCIAL RISK MANAGEMENT</b>			
<p>The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.</p>			
<b>(a) Foreign Exchange Currency Risk</b>			
<p>The municipality does not engage in foreign currency transactions.</p>			
<b>(b) Price Risk</b>			
<p>The municipality is not exposed to price risk.</p>			
<b>(c) Interest Rate Risk</b>			
<p>As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.</p>			
<p>The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.</p>			
<p>The municipality did not hedge against any interest rate risks during the current year.</p>			
<p>The potential impact on the entity's surplus/(deficit) for the year due to changes in interest rates were as follow:</p>			
1% (2011: 1%) Increase in interest rates		619 964	632 480
1% (2011: 1%) Decrease in interest rates		(619 964)	(632 480)
<b>(d) Credit Risk</b>			
<p>Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the Municipality to incur financial loss.</p>			



**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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	Note	2012 R	2011 R
Credit risk arises mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.			
Trade and other receivables are disclosed net after provisions are made for impairment and bad debts. Trade receivables comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other receivables is considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.			
All rates are payable within 30 days from invoice date. Refer to note 2 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms.			
<u>Non-exchange Receivables</u>		2012 %	2012 R
Rates		15.88%	168 833
Other		84.12%	894 217
		100.00%	1 063 050
<u>Non-exchange Receivables</u>		2011 %	2011 R
Rates		6.78%	307 969
Other		93.22%	4 234 865
		100.00%	4 542 833
No receivables are pledged as security for financial liabilities.			
Due to short term nature of trade and other receivables the carrying value disclosed in note 2 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.			
The provision for bad debts could be allocated between the different classes of receivables as follow:			
<u>Non-exchange Receivables</u>		2012 %	2012 R
Rates		0.00%	-
Other		100.00%	2 267 430
		100.00%	2 267 430
<u>Non-exchange Receivables</u>		2011 %	2011 R
Rates		0.00%	-
Other		100.00%	2 874 371
		100.00%	2 874 371
The provision for bad debts could be allocated between the different categories of receivables as follow:			
		2012 %	2012 R
Government		90.46%	2 308 720
Industrial		7.61%	194 258
Residential		1.93%	49 162
		100.00%	2 552 140
		2011 %	2011 R
Government		82.17%	2 361 999
Industrial		3.04%	87 242
Residential		14.79%	425 129
		100.00%	2 874 371

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note	2012 R	2011 R
Bad debts written-off per receivable class:		
<u>Non-exchange Receivables</u>		
Rates	0.00%	-
Other	100.00%	2 701 177
	100.00%	2 701 177
	2011 %	2011 R
Rates	0.00%	-
Other	0.00%	-
	0.00%	-

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

Financial assets exposed to credit risk at year end are as follows:

Receivables from non-exchange transactions	4 136 000	4 947 819
Cash and Cash Equivalents	61 995 571	63 248 027
Unpaid Conditional Grants and Subsidies	-	-
	66 131 571	68 195 846

**(e) Liquidity Risk**

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years
<b>2012</b>		
Long-term Liabilities	72 360	115 960
Trade and Other Payables	8 536 785	-
Unspent Conditional Grants and Receipts	5 163 460	-
	13 772 605	115 960
	Less than 1 year	Between 1 and 5 years
<b>2011</b>		
Long-term Liabilities	64 020	165 385
Trade and Other Payables	4 038 814	-
Unspent Conditional Grants and Receipts	11 685 054	-
	15 787 888	165 385

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>43 FINANCIAL INSTRUMENTS</b>			
In accordance with IAS 39.07 and IAS 39.09 the financial liabilities and assets of the municipality are classified as follows:			
<b>43.1 Financial Assets</b>	<b>Classification</b>		
<b>Investments</b>			
Unlisted Investments	Available for sale	1 146	1 146
<b>Receivables from Non-Exchange Transactions</b>			
Sundry Debtors	Loans and Receivables	(1 373 213)	1 360 493
Assessment Rates	Loans and Receivables	168 833	307 969
<b>Cash and Cash Equivalents</b>			
Bank Balances	Loans and Receivables	4 266 519	145 912
Call Deposits	Loans and Receivables	57 729 052	63 102 116
Cash Floats and Advances	Loans and Receivables	805	755
<b>Total Financial Assets</b>		<b>60 793 142</b>	<b>64 918 390</b>
<b>SUMMARY OF FINANCIAL ASSETS</b>			
<b>Financial Instruments at cost:</b>			
Investments	Unlisted Investments	1 146	1 146
<b>Financial Instruments at amortised cost:</b>			
Receivables from Non-exchange Transactions	Sundry Debtors	(1 373 213)	1 360 493
Receivables from Non-exchange Transactions	Recoverable Works	168 833	307 969
Cash and Cash Equivalents	Bank Balances	4 266 519	145 912
Cash and Cash Equivalents	Cash Floats and Advances	57 729 052	63 102 116
Cash and Cash Equivalents	Call Deposits	805	755
		60 791 996	64 917 244
<b>Total Financial Assets</b>		<b>60 793 142</b>	<b>64 918 390</b>
<b>43.2 Financial Liabilities</b>			
<b>Long-term Liabilities</b>	<b>Classification</b>		
Capitalised Lease Liability	Financial Instruments at amortised cost	102 771	137 310
<b>Trade and Other Payables</b>			
Trade Creditors	Financial Instruments at amortised cost	949 547	97 630
Payments received in advance	Financial Instruments at amortised cost	3 660	64 144
Other Creditors	Financial Instruments at amortised cost	3 073 629	3 709 532
<b>Current Portion of Long-term Liabilities</b>			
Capitalised Lease Liability	Financial Instruments at amortised cost	53 007	40 877
		<b>4 182 613</b>	<b>4 049 492</b>
<b>SUMMARY OF FINANCIAL LIABILITIES</b>			
<b>Financial instruments at amortised cost:</b>			
Long-term Liabilities	Capitalised Lease Liability	102 771	137 310
Trade and Other Payables	Trade Creditors	949 547	97 630
	Payments received in advance	3 660	64 144
Trade and Other Payables	Other Creditors	3 073 629	3 709 532
Current Portion of long-term liabilities	Capitalised Lease Liability	53 007	40 877
		<b>4 182 613</b>	<b>4 049 492</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>43 BUDGET COMPARISONS</b>			
	2012 Actual R	2012 Budget R	2012 Variance R
<b>43.1 Operational Budget by source/type</b>			
<b>Revenue by source</b>			
Property rates	-	-	-
Property rates - penalties & collection charges	-	-	-
Service charges - electricity revenue	-	-	-
Service charges - water revenue	-	-	-
Service charges - sanitation revenue	-	-	-
Service charges - refuse revenue	-	-	-
Service charges - other	-	-	-
Rental of facilities and equipment	898 819	892 000	6 819
Interest earned - external investments	3 068 673	1 740 000	1 328 673
Interest earned - outstanding debtors	247 544	160 000	87 544
Dividends received	-	-	-
Fines	-	-	-
Licences and Permits	-	-	-
Agency services	1 047 611	13 666 000	(12 618 389)
Transfers recognised	39 671 308	53 147 000	(13 475 692)
Transfers recognised - capital	-	-	-
Other revenue	787 071	2 840 000	(2 052 929)
Gains on disposal of PPE	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>45 721 025</b>	<b>72 445 000</b>	<b>(26 723 975)</b>
<b>Expenditure by Type</b>			
	2012 Actual R	2012 Budget R	2012 Variance R
Employee related costs	17 202 697	25 765 000	(8 562 303)
Remuneration of councillors	2 265 384	2 362 000	(96 616)
Debt Impairment	2 094 235	-	2 094 235
Depreciation & asset impairment	1 809 723	850 000	959 723
Finance charges	1 348 032	70 000	1 278 032
Bulk purchases	-	-	-
Other materials	-	-	-
Contracted services	-	2 830 000	(2 830 000)
Transfers and grants	2 800 685	23 935 000	(21 134 315)
Other expenditure	21 011 474	24 955 000	(3 943 526)
Loss on disposal of PPE	179 197	-	179 197
<b>Total Expenditure</b>	<b>48 711 428</b>	<b>80 767 000</b>	<b>(32 055 572)</b>
<b>Surplus/(Deficit) for the year</b>	<b>(2 990 403)</b>	<b>(8 322 000)</b>	<b>5 331 597</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
	2012 Actual R	2012 Budget R	2012 Variance R
<b>43.2 Operational Budget by Standard Classification</b>			
<b><u>Revenue - Standard</u></b>			
Governance and Administration			
Executive and council	935 795	3 431 726	(2 495 930)
Budget and Treasury Office	28 928 646	28 124 654	803 992
Corporate Services	5 124 055	5 053 578	70 476
Community and Public Safety			
Community and Social Services	1 959 000	1 959 000	-
Sport and Recreation	-	-	-
Public Safety	955 309	1 678 792	(723 483)
Housing	-	-	-
Health	-	-	-
Economic and Environmental Services			
Planning and Development	7 313 784	29 966 556	(22 652 771)
Road Transport	504 436	2 589 028	(2 084 592)
Environmental Protection			
Trading Services			
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
Other	-	-	-
<b>Total Revenue</b>	<b>45 721 025</b>	<b>72 803 333</b>	<b>(27 082 308)</b>
<b><u>Expenditure - Standard</u></b>			
Governance and Administration			
Executive and council	17 464 111	22 173 798	(4 709 687)
Budget and Treasury Office	5 034 004	4 806 356	227 648
Corporate Services	7 105 202	6 342 923	762 279
Community and Public Safety			
Community and Social Services	4 273 850	4 979 745	(705 895)
Sport and Recreation	-	-	-
Public Safety	3 064 547	3 559 802	(495 255)
Housing	-	-	-
Health	50 908	49 500	1 408
Economic and Environmental Services			
Planning and Development	11 214 370	36 479 938	(25 265 567)
Road Transport	504 436	2 374 028	(1 869 592)
Environmental Protection	-	-	-
Trading Services			
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
Other	-	-	-
<b>Total Expenditure</b>	<b>48 711 428</b>	<b>80 766 090</b>	<b>(32 054 662)</b>
<b>Surplus/(Deficit) for the year</b>	<b>(2 990 403)</b>	<b>(7 962 757)</b>	<b>4 972 353</b>
<b><u>Details of material variances</u></b>			

Refer to Annexure E(1) for explanations.

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
	2012 Actual R	2012 Budget R	2012 Variance R
<b>43.3 Capital Expenditure by Standard Classification</b>			
Governance and Administration			
Executive and council	38 537	43 000	(4 463)
Budget and Treasury Office	330 387	411 500	(81 113)
Corporate Services	89 667	729 000	(639 333)
Community and Public Safety			
Community and Social Services	24 749	39 000	(14 251)
Sport and Recreation	-	-	-
Public Safety	104 796	112 600	(7 804)
Housing	-	-	-
Health	-	-	-
Economic and Environmental Services			
Planning and Development	73 393	93 500	(20 107)
Road Transport	-	-	-
Environmental Protection	-	-	-
Trading Services			
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
Other	-	-	-
<b>Total Capital Expenditure</b>	<b>661 530</b>	<b>1 428 600</b>	<b>(767 070)</b>

**Details of material variances**

Refer to Annexure E(2) for explanations.

	2012 Actual R	2012 Budget R	2012 Variance R
<b>43.4 Operational Budget by Municipal Vote</b>			
Municipal Manager			
Executive and council	935 795	3 431 726	(2 495 930)
Director: Finance			
Budget and Treasury Office	28 928 646	28 124 654	803 992
Director: Administration			
Corporate Services	5 124 055	5 053 578	70 476
Planning and Development	7 313 784	29 966 556	(22 652 771)
Director: Community Services			
Community and Social Services	1 959 000	1 959 000	-
Environmental Protection	-	-	-
Sport and Recreation	-	-	-
Public Safety	955 309	1 678 792	(723 483)
Housing	-	-	-
Health	-	-	-
Director: Technical Services			
Road Transport	504 436	2 589 028	(2 084 592)
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
<b>Total Revenue</b>	<b>45 721 025</b>	<b>72 803 333</b>	<b>(27 082 308)</b>

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
	2012 Actual R	2012 Budget R	2012 Variance R
<b><u>Expenditure - Vote</u></b>			
Municipal Manager			
Executive and council	17 464 111	22 173 798	(4 709 687)
Director: Finance			
Budget and Treasury Office	5 034 004	4 806 356	227 648
Director: Administration			
Corporate Services	7 105 202	6 342 923	762 279
Planning and Development	11 214 370	36 479 938	(25 265 567)
Director: Community Services			
Community and Social Services	4 273 850	4 979 745	(705 895)
Environmental Protection	-	-	-
Sport and Recreation	-	-	-
Public Safety	3 064 547	3 559 802	(495 255)
Housing	-	-	-
Health	50 908	49 500	1 408
Director: Technical Services			
Road Transport	504 436	2 374 028	(1 869 592)
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
<b>Total Expenditure</b>	<b>48 711 428</b>	<b>80 766 090</b>	<b>(32 054 662)</b>
<b>Surplus/(Deficit) for the year</b>	<b>(2 990 403)</b>	<b>(7 962 757)</b>	<b>4 972 353</b>

**Details of material variances**

Refer to Annexure E(1) for explanations.

	2012 Actual R	2012 Budget R	2012 Variance R
<b>43.5 <u>Capital Expenditure by Municipal Vote</u></b>			
Municipal Manager			
Executive and council	38 537	43 000	(4 463)
Director: Finance			
Budget and Treasury Office	330 387	411 500	(81 113)
Director: Administration			
Corporate Services	89 667	729 000	(639 333)
Planning and Development	73 393	93 500	(20 107)
Director: Community Services			
Community and Social Services	24 749	39 000	(14 251)
Environmental Protection	-	-	-
Sport and Recreation	-	-	-
Public Safety	104 796	112 600	(7 804)
Housing	-	-	-
Health	-	-	-
Director: Technical Services			
Road Transport	-	-	-
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
<b>Total Capital Expenditure</b>	<b>661 530</b>	<b>1 428 600</b>	<b>(767 070)</b>

**Details of material variances**

Refer to Annexure E(2) for explanations.

**Namakwa District Municipality**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2012

	Note	2012 R	2011 R
<b>44 PRIVATE PUBLIC PARTNERSHIPS</b>			
Council has not entered into any private public partnerships during the financial year.			
<b>45 GOING CONCERN</b>			
Management is of the opinion that will municipality will continue to operate as a going concern and perform it's functions as set out in the Constitution.			



**Namakwa District Municipality**

**APPENDIX A**

**SCHEDULE OF EXTERNAL LOANS**

as at 30 June 2012

		Redeemable	Balance at 30	Received	Redeemed /	Balance at 30	Carrying Value	Other Costs in
EXTERNAL LOANS		Date	June 2011	during the	written off	June 2012	of Property,	accordance
				period	during the		Plant &	with MFMA
			R	R	R	R	R	R
LONG-TERM LOANS								
Stock Loan @ x% 2	-	-	-	-	-	-	-	-
Stock Loan @ x% 3	-	-	-	-	-	-	-	-
Stock Loan @ x% 4	-	-	-	-	-	-	-	-
Stock Loan @ x% 5	-	-	-	-	-	-	-	-
Stock Loan @ x% 6	-	-	-	-	-	-	-	-
Stock Loan @ x% 7	-	-	-	-	-	-	-	-
Stock Loan @ x% 8	-	-	-	-	-	-	-	-
<b>Total long-term loans</b>								
<b>LEASE LIABILITY</b>								
Office Equipment	NDM006-460818	30/06/2009	178 186	18 469	(40 877)	155 778	134 511	-
<b>GOVERNMENT LOANS</b>								
- Other @ x%	-	-	-	-	-	-	-	-
<b>Total Government Loans</b>								
<b>TOTAL EXTERNAL LOANS</b>		-	-	<b>178 186</b>	<b>18 469</b>	<b>(40 877)</b>	<b>155 778</b>	<b>-</b>

The supplementary information set out in this appendix does not form part of the financial statements and is presented as additional information.  
Therefore this appendix is not audited.

**Namakwa District Municipality**  
**APPENDIX B**  
**ANALYSIS OF PROPERTY PLANT AND EQUIPMENT**  
as at 30 June 2012

	Cost / Revaluation					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	
<b>Land</b>											
Land	1 822 842	-	-		1 822 842	-	-	-	-	-	1 822 842
	1 822 842	-	-	-	1 822 842	-	-	-	-	-	1 822 842
<b>Buildings</b>	8 122 667	2 090	(250 000)	-	7 874 757	(5 433 892)	(205 344)	250 000	-	(5 389 235)	2 485 522
<b>Infrastructure</b>											
Drains	-	-	-	-	-	-	-	-	-	-	-
Roads and Streets	-	-	-	-	-	-	-	-	-	-	-
Beach Improvements	-	-	-	-	-	-	-	-	-	-	-
Sewerage Mains and Purification	-	-	-	-	-	-	-	-	-	-	-
Electricity mains	-	4 839	-	-	4 839	-	(49)	-	-	(49)	4 790
Electricity Peak Load equipment	-	-	-	-	-	-	-	-	-	-	-
Water Mains & Purification	-	-	-	-	-	-	-	-	-	-	-
Water Reservoirs	-	-	-	-	-	-	-	-	-	-	-
Water Meters	-	-	-	-	-	-	-	-	-	-	-
Water Mains	-	-	-	-	-	-	-	-	-	-	-
Security Measures	105 417	27 144	-	-	132 561	(42 165)	(15 884)	-	-	(58 049)	74 512
	105 417	31 983	-	-	137 400	(42 165)	(15 932)	-	-	(58 097)	79 303
<b>Community Assets</b>											
Parks & Gardens	-	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-	-
Recreation Grounds	-	-	-	-	-	-	-	-	-	-	-
Civic Buildings	159 133	-	-	-	159 133	(114 576)	(3 183)	-	-	(117 758)	41 375
Stadiums	-	-	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-	-	-
Theatre	-	-	-	-	-	-	-	-	-	-	-
Swimming Pools	-	-	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-	-	-
	159 133	-	-	-	159 133	(114 576)	(3 183)	-	-	(117 758)	41 375
<b>Heritage Assets</b>											
Historical Buildings	-	-	-	-	-	-	-	-	-	-	-
Paintings & Artifacts	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
<b>Total carried forward</b>	10 210 059	34 073	(250 000)	-	9 994 132	(5 590 632)	(224 459)	250 000	-	(5 565 091)	4 429 041

**Namakwa District Municipality**  
**APPENDIX B**  
**ANALYSIS OF PROPERTY PLANT AND EQUIPMENT**  
as at 30 June 2012

	Cost / Revaluation					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R
<b>Total brought forward</b>	10 210 059	34 073	(250 000)	-	9 994 132	(5 590 632)	(224 459)	250 000	-	(5 565 091)	4 429 041
<b>Other Assets</b>											
Office Equipment	3 338 599	195 939	(92 743)	-	3 441 795	(1 386 187)	(556 406)	84 016	(105 884)	(1 964 460)	1 477 334
Furniture & Fittings	1 403 233	70 458	(10 612)	-	1 463 078	(537 869)	(176 815)	10 533	(815)	(704 966)	758 113
Bins and Containers	18 544	259	-	-	18 803	(7 820)	(2 381)	-	-	(10 201)	8 602
Plant and Equipment	1 580 287	33 654	(1 212 080)	-	401 861	(1 214 337)	(92 721)	1 048 522	(1 845)	(260 381)	141 480
Motor vehicles	2 487 433	-	(136 684)	-	2 350 749	(976 419)	(428 516)	129 850	-	(1 275 085)	1 075 664
Fire Equipment	82 818	7 638	-	-	90 457	(20 763)	(11 632)	-	-	(32 395)	58 062
Refuse tankers	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-
Computer Software (part of computer equipment)	-	-	-	-	-	-	-	-	-	-	-
Other Assets	0	(0)	0	-	0	(0)	(0)	0	-	0	0
	8 910 914	307 948	(1 452 119)	-	7 766 743	(4 143 395)	(1 268 471)	1 272 922	(108 544)	(4 247 487)	3 519 255
<b>Finance Lease Assets</b>											
Office Equipment	226 899	23 040	-	-	249 939	(64 288)	(51 140)	-	-	(115 428)	134 511
Other Assets	-	-	-	-	-	-	-	-	-	-	-
	226 899	23 040	-	-	249 939	(64 288)	(51 140)	-	-	(115 428)	134 511
<b>Total</b>	<b>19 347 872</b>	<b>365 061</b>	<b>(1 702 119)</b>	<b>-</b>	<b>18 010 814</b>	<b>(9 798 315)</b>	<b>(1 544 069)</b>	<b>1 522 922</b>	<b>(108 544)</b>	<b>(9 928 006)</b>	<b>8 082 808</b>

The supplementary information set out in this appendix does not form part of the financial statements and is presented as additional information. Therefore this appendix is not audited.

**Namakwa District Municipality**  
**APPENDIX C**  
**SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT**  
as at 30 June 2012

	Cost / Revaluation					Accumulated Depreciation				Carrying value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	
Executive Mayor	134 571	-	-	(1 668)	132 903	70 352	16 415	(1 666)	85 100	47 803
Mayor: PA	40 535	-	-	-	40 535	9 911	7 105	-	17 016	23 519
Speaker	65 337	-	-	(9 606)	55 731	41 241	6 249	(9 604)	37 886	17 845
Speaker: Secretary	41 898	-	-	(834)	41 064	16 109	5 760	(833)	21 036	20 028
Council: Councillors	5 432	-	-	-	5 432	3 735	340	-	4 074	1 358
Council Exp: Admin	10 202 095	23 040	-	(282 023)	9 943 112	5 934 859	274 787	(279 687)	5 929 960	4 013 152
Community Development Officer	15 540	-	-	-	15 540	3 108	3 108	-	6 216	9 324
Municipal Manager	112 880	-	-	(834)	112 045	46 345	13 942	(833)	59 454	52 591
Municipal Manager Admin	47 487	-	-	(12 734)	34 752	24 995	6 161	(10 479)	20 677	14 076
Deputy Municipal Manager	-	-	-	-	-	-	-	-	-	-
Internal Audit	25 678	-	-	(834)	24 844	16 570	2 229	(833)	17 965	6 879
Administration - Admin	653 407	9 830	-	(39 675)	623 562	313 331	77 027	(39 493)	350 865	272 697
Administration - HR	83 342	-	-	(5 197)	78 145	38 251	13 054	(4 106)	47 198	30 946
Equitable Share	-	-	-	-	-	-	-	-	-	-
Manager - Finance	1 048 795	61 689	-	(15 482)	1 095 002	366 002	308 012	(14 475)	659 539	435 463
Finance - Income	-	-	-	-	-	-	-	-	-	-
Finance - Expenditure	-	-	-	-	-	-	-	-	-	-
Safety	593 155	101 298	-	(274 871)	419 582	264 826	86 225	(168 297)	182 755	236 827
Head - Economic Development	59 683	53 102	-	(5 350)	107 435	27 771	10 346	(5 345)	32 772	74 663
Development & Marketing Officer	-	-	-	-	-	-	-	-	-	-
Tourism	280 869	7 633	-	(3 190)	285 312	117 632	43 499	(2 652)	158 479	126 834
Problem Animal Control	-	-	-	-	-	-	-	-	-	-
Head: Socio-Economic Develop	-	-	-	-	-	-	-	-	-	-
PIMS	399 754	4 386	-	(14 519)	389 621	239 603	54 988	(14 515)	280 075	109 546
Head Projects	-	-	-	-	-	-	-	-	-	-
Council Buildings	1 565 350	61 267	-	-	1 626 617	277 655	183 020	-	460 675	1 165 942
Council Vehicles	3 379 476	-	-	(1 021 609)	2 357 867	1 749 938	448 830	(958 049)	1 240 719	1 117 148
Council Projects	445 776	14 094	-	(4 305)	455 565	182 765	61 466	(4 301)	239 930	215 635
Environmental Health	131 544	23 227	-	(8 553)	146 218	46 431	27 045	(7 127)	66 348	79 869
Operational and Maintenance	14 597	-	-	(834)	13 762	6 469	2 806	(626)	8 650	5 113
PMU	672	5 496	-	-	6 168	420	198	-	618	5 549
<b>Total</b>	<b>19 347 873</b>	<b>365 061</b>	<b>-</b>	<b>(1 702 119)</b>	<b>18 010 814</b>	<b>9 798 317</b>	<b>1 652 611</b>	<b>(1 522 922)</b>	<b>9 928 007</b>	<b>8 082 808</b>

The supplementary information set out in this appendix does not form part of the financial statements and is presented as additional information. Therefore this appendix is not audited.

**Namakwa District Municipality**  
**APPENDIX D**  
**SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 30 June 2012

2011	2011	2011		2012	2012	2012
Actual Income	Actual Expenditure	Surplus / (Deficit)		Actual Income	Actual Expenditure	Surplus / (Deficit)
R	R	R		R	R	R
8 515 340	18 067 515	(9 552 175)	Executive & Council	935 795	17 464 111	(16 528 316)
25 580 449	3 268 909	22 311 540	Budget & Treasury Office	28 928 646	5 034 004	23 894 642
-	-	-	Waste Management	-	-	-
16 799 200	21 130 152	(4 330 952)	Planning & Development	7 313 784	11 214 370	(3 900 586)
-	50 866	(50 866)	Health	-	50 908	(50 908)
-	3 272 737	(3 272 737)	Community & Social Services	1 959 000	4 273 850	(2 314 850)
-	-	-	Housing	-	-	-
666 704	2 648 377	(1 981 673)	Public Safety	955 309	3 064 547	(2 109 238)
-	-	-	Sport & Recreation	-	-	-
-	-	-	Environmental Protection	-	-	-
1 490 945	6 928 105	(5 437 160)	Corporate Services	5 124 055	7 105 202	(1 981 147)
10 065 104	9 612 960	452 144	Road Transport	504 436	504 436	-
-	-	-	Waste Water Management	-	-	-
-	-	-	Water	-	-	-
-	15 360	(15 360)	Electricity	-	-	-
-	-	-	Other	-	-	-
<b>63 117 741</b>	<b>64 994 980</b>	<b>(1 877 239)</b>		<b>45 721 025</b>	<b>48 711 428</b>	<b>(2 990 403)</b>
-	-	-	Less: Inter-Department Charges	-	-	-
<b>63 117 741</b>	<b>64 994 980</b>	<b>(1 877 239)</b>	<b>Total</b>	<b>45 721 025</b>	<b>48 711 428</b>	<b>(2 990 403)</b>

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**Namakwa District Municipality**  
**APPENDIX E(1)**  
**REVENUE AND EXPENDITURE**  
**ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012**  
**GENERAL FINANCE STATISTIC CLASSIFICATIONS**

	2012 Actual R	2012 Budget R	2012 Variance R	2012 Variance %	Explanation of Significant Variances greater than 10% versus Budget
<b>REVENUE</b>					
Property rates	-	-	-	0.00%	
Government Grants and Subsidies	39 671 308	53 147 000	(13 475 692)	-25.36%	Less Grants and Subsidies spent
Public Contributions and Donations	-	-	-	0.00%	
Contributed PPE	-	-	-	0.00%	
Fines	-	-	-	0.00%	
Third Party Payments	-	-	-	0.00%	
Actuarial gains	-	-	-	0.00%	
Dividends received	-	-	-	0.00%	
Property rates - Penalties & Collection Charges	-	-	-	0.00%	
Service Charges	-	-	-	0.00%	
Water Services Authority Contribution	-	-	-	0.00%	
Rental of Facilities and Equipment	898 819	892 000	6 819	0.76%	
Interest Earned - External Investments	3 068 673	1 740 000	1 328 673	76.36%	Additional interest received
Interest Earned - Outstanding Receivables	247 544	160 000	87 544	54.71%	Additional interest received
Licences and Permits	-	-	-	0.00%	
Agency Services	1 047 611	13 666 000	(12 618 389)	-92.33%	Incorrect Budgeting
Other Income	787 071	2 840 000	(2 052 929)	-72.29%	Incorrect Budgeting
Unamortised discount - Interest	-	-	-	0.00%	
Gains on Disposal of PPE	-	-	-	0.00%	
Reversal of Impairment Loss	-	-	-	0.00%	
Changes in Fair Value	-	-	-	0.00%	
Inventory: Reversal of write-down to Net Realisable Value	-	-	-	0.00%	
<b>Total Revenue</b>	<b>45 721 025</b>	<b>72 445 000</b>	<b>(26 723 975)</b>	<b>-36.89%</b>	
<b>EXPENDITURE</b>					
Executive & Council	17 464 111	22 173 798	(4 709 687)	-21.24%	
Budget & Treasury Office	5 034 004	4 806 356	227 648	4.74%	
Corporate Services	7 105 202	6 342 923	762 279	12.02%	
Planning & Development	11 214 370	36 479 938	(25 265 567)	-69.26%	
Health	50 908	49 500	1 408	2.84%	
Community & Social Services	4 273 850	4 979 745	(705 895)	-14.18%	
Housing	-	-	-	0.00%	
Public Safety	3 064 547	3 559 802	(495 255)	-13.91%	
Sport & Recreation	-	-	-	0.00%	
Environmental Protection	-	-	-	0.00%	
Waste Management	-	-	-	0.00%	
Waste Water Management	-	-	-	0.00%	
Road Transport	504 436	2 374 028	(1 869 592)	-78.75%	
Water	-	-	-	0.00%	
Electricity	-	-	-	0.00%	
Less: Interdepartmental Charges	-	-	-	0.00%	
<b>Total Expenditure</b>	<b>48 711 428</b>	<b>80 766 090</b>	<b>(32 054 662)</b>	<b>-39.69%</b>	
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>(2 990 403)</b>	<b>(8 321 090)</b>	<b>5 330 687</b>	<b>-64.06%</b>	

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**Namakwa District Municipality**  
**APPENDIX E (2)**  
**ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012**  
**ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS**  
**GENERAL FINANCE STATISTIC CLASSIFICATIONS**

	2012 Actual	2012 Under Construction	2012 Total Additions	2012 Budget	2012 Variance	2012 Variance	Explanation of Significant Variances greater than 5% versus Budget
	R	R	R	R	R	%	
Executive & Council	38 537	-	38 537	43 000	(4 463)	-10.38%	Internal auditor computer not purchased since early vacancy during the financial year
Budget & Treasury Office	330 387	-	330 387	411 500	(81 113)	-19.71%	Asset register system not purchased
Corporate Services	89 667	-	89 667	729 000	(639 333)	-87.70%	Paving not done during the year
Planning & Development	73 393	-	73 393	93 500	(20 107)	-21.50%	Incorrect Budgeting
Health	-	-	-	-	-	0.00%	
Community & Social Services	24 749	-	24 749	39 000	(14 251)	-36.54%	Incorrect Budgeting
Housing	-	-	-	-	-	0.00%	
Public Safety	104 796	-	104 796	112 600	(7 804)	-6.93%	Incorrect Budgeting
Sport & Recreation	-	-	-	-	-	0.00%	
Environmental Protection	-	-	-	-	-	0.00%	
Waste Management	-	-	-	-	-	0.00%	
Waste Water Management	-	-	-	-	-	0.00%	
Road Transport	-	-	-	-	-	0.00%	
Water	-	-	-	-	-	0.00%	
Electricity	-	-	-	-	-	0.00%	
<b>Total</b>	<b>661 530</b>	<b>-</b>	<b>661 530</b>	<b>1 428 600</b>	<b>(767 070)</b>	<b>-53.69%</b>	

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**Namakwa District Municipality**

**APPENDIX F**

**DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Grant Description	Balance 30 June 2011	Contributions during the year	Correction of Error	Other Income	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Balance 30 June 2012	Unspent 30 June 2012 (Creditor)	Unpaid 30 June 2012 (Debtor)
<b><u>National Government Grants</u></b>									
Finance Management Grant	3 134	1 250 000	-	-	(1 101 757)	-	151 377	151 377	-
RSC Levies Replacement Grant	-	23 182 000	-	-	(23 182 000)	-	-	-	-
Equitable Share	-	3 437 000	-	-	(3 437 000)	-	-	-	-
Councillors Remuneration Grant	-	902 000	-	-	(902 000)	-	-	-	-
Health Inspector's Subsidy	-	1 959 000	-	-	(1 959 000)	-	-	-	-
Municipal Infrastructure Grant	5 629 063	-	-	-	(5 623 517)	-	5 546	5 546	-
Municipal System Improvement Grant	2 117	150 000	(36 000)	-	(70 885)	-	45 232	45 232	-
PIMS	1 129 135	640 000	-	-	(1 102 315)	-	666 820	666 820	-
<b>Total National Government Grants</b>	<b>6 763 448</b>	<b>31 520 000</b>	<b>(36 000)</b>	<b>-</b>	<b>(37 378 474)</b>	<b>-</b>	<b>868 975</b>	<b>868 975</b>	<b>-</b>
<b><u>Provincial Government Grants</u></b>									
Border Fencing	54 239	-	-	-	-	-	54 239	54 239	-
Civil Defence Subsidy	348 477	754 000	-	-	(579 469)	-	523 008	523 008	-
Drought Relief	73 874	-	-	-	-	-	73 874	73 874	-
EPWP	341 792	212 000	-	-	(595)	-	553 197	553 197	-
Fire Equipment Grant	542 334	371 000	-	-	(371 240)	-	542 094	542 094	-
IDP/LDO	392 556	-	-	-	(10 189)	-	382 368	382 368	-
Komaggas Road	4 371	-	-	-	-	-	4 371	4 371	-
SA Projects	205 909	-	-	-	-	-	205 909	205 909	-
Namaqua Sanitation Bucket System	213 395	-	-	-	-	-	213 395	213 395	-
NC Housing	500 000	-	-	-	-	-	500 000	500 000	-
Sakrivier Bridge	512 623	-	-	-	(504 436)	-	8 187	8 187	-
Contingency Fund	791 594	-	-	-	-	-	791 594	791 594	-
Fencing	42 555	-	-	-	-	-	42 555	42 555	-
Electronic Filing System	15 227	-	-	-	-	-	15 227	15 227	-
<b>Total Provincial Government Grants</b>	<b>4 038 946</b>	<b>1 337 000</b>	<b>-</b>	<b>-</b>	<b>(1 465 928)</b>	<b>-</b>	<b>3 910 018</b>	<b>3 910 018</b>	<b>-</b>
<b><u>Other Grant Providers</u></b>									
Maintenance Fund	22 233	-	-	-	-	-	22 233	22 233	-
Spoegrivier Sport Ground (Lotto)	5 290	-	-	-	-	-	5 290	5 290	-
Swartzkop Sport Ground (Lotto)	207 475	-	-	-	-	-	207 475	207 475	-
Training Reserve (SETA)	619 351	114 228	-	-	(589 419)	-	144 160	144 160	-
Kamiesberg Special Fund	25 297	-	-	-	(23 000)	-	2 297	2 297	-
Richtersveld Special Fund	3 013	-	-	-	-	-	3 013	3 013	-
<b>Total Other Grant Providers</b>	<b>882 660</b>	<b>114 228</b>	<b>-</b>	<b>-</b>	<b>(612 419)</b>	<b>-</b>	<b>384 468</b>	<b>384 468</b>	<b>-</b>
<b>Total Grants</b>	<b>11 685 054</b>	<b>32 971 228</b>	<b>(36 000)</b>	<b>-</b>	<b>(39 456 822)</b>	<b>-</b>	<b>5 163 460</b>	<b>5 163 460</b>	<b>-</b>

The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received. No grants were withheld.

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